DOCUMENT RESUME

ED 438 922 PS 028 340

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TITLE Licensed Child Care in Washington State: 1998.
INSTITUTION Washington State Dept. of Social and Health Services, Olympia. Office of Research and Data Analysis.; Washington State Univ., Pullman. Social and Economic Sciences Research Center.
PUB DATE 2000-01-00
NOTE 105p.; For 1996 report, see ED 421 258. Prepared in conjunction with the Office of Child Care Policy, Children's Administration and the Economic Services Administration.
AVAILABLE FROM Washington State Department of Social and Health Services, Research and Data Analysis, Olympia, WA 98504-5204 (Report No. 7.100).
PUB TYPE Numerical/Quantitative Data (110) -- Reports - Research (143)
EDRS PRICE MF01/PC05 Plus Postage.
DESCRIPTORS Child Caregivers; Compensation (Remuneration); Counties; *Day Care; *Day Care Centers; Demography; Early Childhood Education; Ethnicity; *Family Day Care; Financial Support; *State Surveys; Statistical Surveys
IDENTIFIERS Availability (Programs and Services); Caregiver Qualifications; Child Care Costs; Child Care Needs; Day Care Licensing; Day Care Quality; *Washington

ABSTRACT

This study is one of an ongoing series of biennial surveys of all child care centers and some licensed family home providers by Washington State's Department of Social and Health Services (DSHS). A total of 1,137 child care centers and 1,527 family home providers were interviewed in spring 1998. Major findings include: (1) Over the period 1990 to 1998, the inflation-adjusted cost of care increased 22 percent in centers and 20.5 percent in homes--in the last 2 years of that period (1996 to 1998), the price of full-time family home care after adjusting for inflation climbed by 3 percent (from $396 to $406), and that of centers went up 4 percent (from $433 to $453); (2) An estimated 170,200 children in Washington State were in licensed care in spring 1998--almost 70 percent were in child care centers, and the remaining 30 percent were in licensed family homes; (3) The number of licensed family homes decreased, while the number of centers increased; (4) The number of children in licensed care increased 4 percent per year from 1996 to 1998, with preschool-age children much more likely to be in care; (5) About one-third of centers provided full-time care for infants, whereas only about a quarter of family homes did; (6) The vacancy rate in centers declined, while the rate in homes remained the same; (7) Pay for teachers averaged $7.73 per hour, and aides averaged $6.34 per hour (after adjusting for inflation, there has been no increase in average wages since 1992); (8) Since 1992, the share of family home providers with formal training in early childhood education or child development has increased from 56 percent in 1994 to 74 percent in 1998; (9) Assistants in family homes earned $6.43 per hour on average; (10) 69 percent of family homes had liability insurance in 1998, compared to 58 percent in 1996; (11) over three-quarters of licensed family homes participated in the USDA food program in 1998; (12) 18 percent of children in centers and 20 percent of children in family homes received

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care subsidized by DSHS in spring 1998; (13) licensed family home providers tend to serve children who share their ethnicity; and (14) child care centers with a high proportion of children subsidized by DSHS are more ethnically heterogeneous than the state as a whole. (Appendices provide statistics by county. Includes numerous tables and figures.) (EV)

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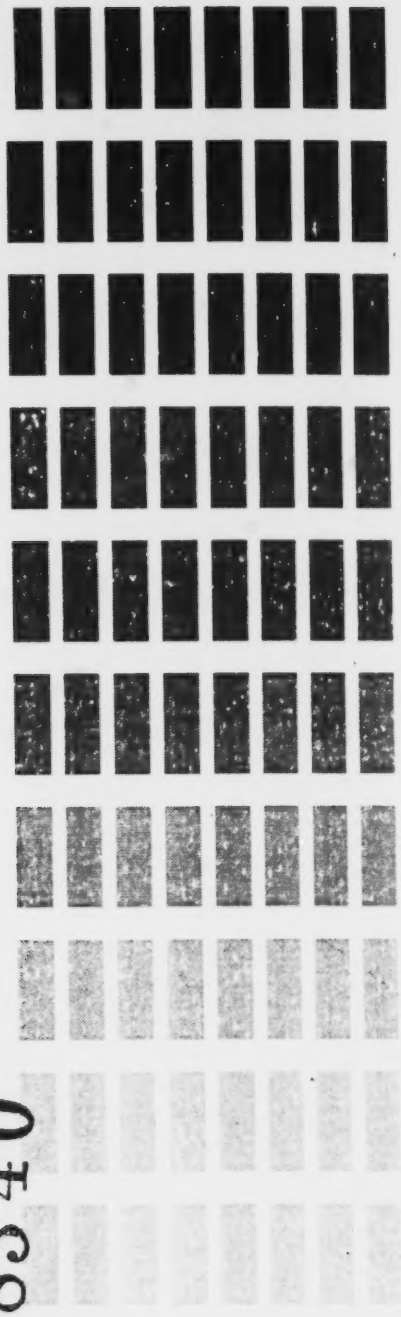

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Licensed Child Care in Washington State: 1998

Marna Geyer Miller, Ph.D.
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January 2000

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January 2000

When ordering, please refer to Report 7.100

DEPARTMENT OF SOCIAL AND HEALTH SERVICES

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RESEARCH AND DATA ANALYSIS

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In conjunction with

Office of Child Care Policy, Children's Administration

and

Economic Services Administration

ACKNOWLEDGEMENTS

Under the leadership of Elizabeth Kohlenberg, the Research and Data Analysis Division (RDA) provides technical support of the highest caliber. RDA also fosters an environment that supports a scientific approach to the study of child care.

We are grateful to Sophia Kouidou-Giles and her predecessor Annie Cubberly of the Office of Child Care Policy and to Rachael Langen of the WorkFirst Division for their support. Their recognition of the importance of research to their child care programs makes our work enjoyable and collaborative.

Chapter 7 on ethnicity grew out of questions raised by James Kelly, when he was Special Assistant to the Secretary of DSHS. We are grateful for his suggestions.

We would also like to thank our research partners at the Social and Economic Services Research Center (SESRC) of Washington State University. SESRC provided technical assistance in crafting, programming, and conducting the telephone interviews. We'd particularly like to thank: Rosie Pavlov, for her professional management of the project at SESRC; Jolyn Persons, for her supervision of the many interviewers and for helping us produce a mailed questionnaire for a subset of our center sample; Rod Baxter, for his programming skills which turned interview responses into usable datasets; and John Tarnai, for the wonderful, professional staff he brings together at SESRC.

Finally, we would like to thank Nora Ellsworth, PRES Secretary, for her expert assistance in formatting and text modifications to this final document.

TABLE OF CONTENTS

EXECUTIVE SUMMARY ____ **XI**

BACKGROUND ____ XI
MAJOR FINDINGS ____ XI

CHAPTER 1. INTRODUCTION ____ **1**

BACKGROUND ____ 2
Geography and Child Care Markets ____ 2
STUDY METHODS ____ 4
Licensed Facilities ____ 4
Survey of Child Care Centers ____ 4
Survey of Family Homes ____ 6
Sampling Methods for the Family Home Survey ____ 7
Spanish Language Interviews ____ 7

CHAPTER 2. THE CHILD CARE MARKET ____ **9**

CHILD CARE POPULATION ____ 9
Employment and Income ____ 10
Growth of the Licensed Child Care Industry ____ 10

CHAPTER 3. CHILDREN IN LICENSED CARE ____ **13**

INTRODUCTION ____ 13
CHILD CARE CENTERS ____ 13
Number of Children in Care, Capacity, and Vacancies in Child Care Centers ____ 13
Full-Time and Part-Time Care in Centers by Age Category ____ 17
FAMILY HOMES ____ 19
Number of Children in Care, Capacity, and Vacancies in Family Homes ____ 19
Full-Time and Part-Time Care in Family Homes by Age Category ____ 21
Specialization in the Child Care Market ____ 23
Urban/Rural Differences ____ 24
Type of Center and Specialization ____ 26
AVAILABILITY AND USE OF CHILD CARE ____ 27
Capacity and Vacancies for Licensed Child Care ____ 27
Vacancies for Very Young Children ____ 27
AGE DIFFERENCES OF CHILDREN IN LICENSED CARE ____ 28

CHAPTER 4. PROVIDER BUSINESS TRAITS ____ **31**

TYPES OF CENTERS ____ 31
STAFF EXPERIENCE AND EDUCATION ____ 31
Years of Experience: Center Staff ____ 31
Non-Paid Staff at Centers ____ 32
Family Home Providers' Education and Training ____ 32
YEARS IN OPERATION FOR CHILD CARE CENTERS AND FAMILY HOMES ____ 33
SALARIES AND BENEFITS FOR CHILD CARE WORKERS ____ 34
Wages at Centers ____ 34
Wages in Family Homes ____ 36

Income of Family Homes 36
Wage Trends in Centers 37
Wage Trends in Family Homes 37
Employee Benefits at Centers 38
BUSINESS EXPENSES IN CENTERS AND HOMES 40
Liability Insurance in Centers and Homes 40
Estimated Monthly Costs per Child in Centers 42
Participation of Family Homes in USDA Food Program 43
HOURS OF OPERATION 44
CHAPTER 5. CHILD CARE RATES 47
MARKET RATES AND SUBSIDY SCHEDULES 47
RATES ACCORDING TO THE 1998 SURVEY 48
FACTORS ASSOCIATED WITH THE PRICE OF CHILD CARE 51
CHILD CARE PRICE INCREASES 53
CHAPTER 6. DSHS-SUBSIDIZED CHILDREN 55
WHERE SUBSIDIZED CHILDREN RECEIVED CARE 55
Regional Variation 56
Neighborhood Poverty and Proportion of Children Subsidized by DSHS 57
WHO SERVED DSHS-SUBSIDIZED CHILDREN 58
Willingness to Serve Subsidized Children and Enrollment Limits 58
Increased Access to Licensed Care 59
CHARACTERISTICS OF CENTERS SERVING DSHS CHILDREN 60
Centers by Concentration of DSHS Children 60
Payment Problems with DSHS-Subsidized Children 60
EFFECTS OF DSHS MAXIMUM RATES 62
Region 4 Centers as an Example 63
CHAPTER 7. ETHNICITY 65
ETHNICITY OF CHILDREN IN LICENSED CARE 65
Caution Regarding Data for Native Americans 66
ETHNICITY AND LICENSED FAMILY HOMES 67
Ethnicity of Providers and Children in Licensed Family Homes 67
DSHS Children and Ethnicity 69
CHILD CARE CENTERS 70
DSHS-Subsidized Children and Ethnicity of Children in Child Care Centers 70
SUMMARY 72
APPENDIX A: COUNTY STATISTICS 73
APPENDIX B: COUNTY STATISTICAL MAPS 79

TABLES

Table 1.--Assignment of Counties into DSHS Regions ____ 3
Table 2.--1998 Center Survey—Sample Completion Rate Statistics ____ 5
Table 3.--1998 Family-Home Survey—Sample Completion Rate Statistics ____ 6
Table 4.--1998 Family Home Survey—Total Homes, Homes Surveyed, and Number of Homes Surveyed by County ____ 8
Table 5.--Estimates of Children in Licensed and Unlicensed Child Care ____ 9
Table 6.--Estimates of Employment and Revenue in Washington State's Child Care Industry, 1992, 1994, 1996, and 1998 ____ 10
Table 7.--Percent of Centers with Vacancies by Region for Categories with Significant Differences ____ 16
Table 8.--Vacancy Rate in Child Care Centers by Region, 1996 and 1998 ____ 16
Table 9.--Estimated Child Care Center Populations by Age and Region ____ 19
Table 10.--Estimated Licensed Family Home Child Care Populations by Age and Region ____ 23
Table 11.--Counties by Degree of Urbanization ____ 24
Table 12.--Capacity and Vacancies for Licensed Child Care in Washington State ____ 27
Table 13.--Vacancies for Very Young Children in Centers and Family Homes ____ 28
Table 14.--All Children in Washington State Compared to Children in Licensed Care ____ 29
Table 15.--Regional Variation in Availability of Child Care ____ 30
Table 16.--Percent of Centers Using Volunteers and Number of Volunteers by Center Type ____ 32
Table 17.--Average Wages in Child Care Centers by Region ____ 35
Table 18.--Average Wages in Child Care Centers by Center Type ____ 35
Table 19.--Assistants' Wages in Licensed Homes ____ 36
Table 20.--Average Gross Annual Earnings in Family Homes, 1997 ____ 36
Table 21.--Centers Providing Benefits by Benefit Type and Region ____ 39
Table 22.--Centers Providing Benefits by Center Type ____ 39
Table 23.--Increase in Employee Benefits Child Care Centers, 1990-1998 ____ 40
Table 24.--Health Insurance and Higher Wages in Centers, 1998 ____ 40
Table 25.--Monthly Full-Time[1] Rates in Child Care Centers ____ 49
Table 26.--Monthly Full-Time[1] Rates in Licensed Family Homes ____ 50
Table 27.--Geographic Variation in Average Monthly Cost for Full-Time Preschool ____ 51
Table 28.--Predictors of Average Full-Time Preschool Rates after Accounting for Major Geographic Differences in Rates ____ 52
Table 29.--DSHS Children in Centers and Family Homes ____ 55
Table 30.--Neighborhood Poverty and Proportion of Children Subsidized by DSHS ____ 58
Table 31.--Centers Limiting Enrollment of DSHS-Subsidized Children ____ 58
Table 32.--Family Homes Taking DSHS-Subsidized Children ____ 59
Table 33.--Changes in Centers and Family Homes Accepting DSHS Children, 1990-1998 ____ 59
Table 34.--Full-time Rates for Preschool-Age Children, difference Between Centers Serving DSHS Children and Those Not Serving ____ 62
Table 35.--Ethnicity of Family Home Providers and Children in Licensed Family Homes ____ 67
Table 36.--Family Home Providers Serving DSHS Subsidized Children by Ethnicity of Provider ____ 70

Table A1.--1998 County Level Statistics: Facilities and Child Care Slots ____ 74
Table A2.--1998 County Level Statistics: Vacancies and Vacancy Rates ____ 75
Table A3.--1998 County Level Statistics: Children in Licensed Child Care ____ 76
Table A4.--1998 County Level Statistics: Children in Subsidized Child Care ____ 77
Table A5.--1998 County Level Statistics: Average Price of Full-Time Preschool Child Care ____ 78

FIGURES

Figure 1.--DSHS Administrative Regions 3
Figure 2.--Licensed Child Care Facilities in Washington State, 1990 to 1998 11
Figure 3.--Children in Licensed Care in Washington State, 1990 to 1998 11
Figure 4.--Number of Children in Licensed Child Care Centers, 1990-1998 14
Figure 5.--Average Capacity of Licensed Child Care Centers, 1990-1998 14
Figure 6.--Distribution of Centers by Capacity 15
Figure 7.--Distribution of Children in Centers by Capacity 15
Figure 8.--Percentage of Centers with Vacancies by Age Category 17
Figure 9.--Centers Providing Full-Time and Part-Time Care by Age Group 18
Figure 10.--Distribution of Children in Centers in Full-Time or Part-Time Care 18
Figure 11.--Number of Children in Licensed Family Homes, 1990-1998 20
Figure 12.--Percentage of Family Homes with Vacancies by Age Category 21
Figure 13.--Homes Providing Full-Time or Part-Time Care by Age Group 21
Figure 14.--Distribution of Children in Homes in Full-Time or Part-Time Care 22
Figure 15.--Average Hours per Week in Family Home Care by Age Group 22
Figure 16.--Enrollment of Children in Licensed Home Care versus Child Care Centers 24
Figure 17.--Distribution of Children in Licensed Care by Degree of Urbanization 25
Figure 18.--Distribution of Infants in Licensed Care by Degree of Urbanization 25
Figure 19.--Child Care Centers' Profit Status and Infant Care 26
Figure 20.--Child Care Centers' Profit Status and School-Age Care 26
Figure 21.--Types of Child Care Centers 31
Figure 22.--Average Paid Child Care Experience of Center Staff 31
Figure 23.--Family Home Providers' Highest Level of Education 32
Figure 24.--Training in Early Childhood Education (ECE) of Family Home Providers: 1992-1998 33
Figure 25.--Years in Business: Homes and Centers 34
Figure 26.--Years Plan to Operate Child Care at Home 34
Figure 27.--Changes in Child Care Wages from 1990 to 1998 Adjusted to 1998 Dollars 37
Figure 28.--Average Wage Paid Assistants in Family Homes from 1992 to 1998 Adjusted to 1998 Dollars 38
Figure 29.--Average Gross Earnings in Family Homes from 1991 to 1997 Adjusted to 1997 Dollars 38
Figure 30.--Percent of Family Homes with Liability Insurance, 1990 to 1998 41
Figure 31.--Average Annual Cost of Liability Insurance per Child In Centers and Family Homes by DSHS Regions 41
Figure 32.--Changing Cost of Liability Insurance per Child Adjusted for Inflation 42
Figure 33.--Average Monthly Costs Per Child in Child Care Centers 42
Figure 34.--Participation of Family Homes in USDA Food Program 43
Figure 35.--Participation of Family Home Providers in USDA Food Program in Spring 1998 Compared to One Year Earlier 44
Figure 36.--Hours of Operation, Monday through Friday, Centers and Homes 44

Figure 37.--Licensed Facilities with Weekend Hours ____ 45
Figure 38.--Nominal Average Monthly Prices* for All Children in Full-Time Licensed Child Care: 1990-1998 ____ 53
Figure 39.--Average Monthly Prices* for All Children in Full-Time Licensed Child Care: 1990-1998, Adjusted for Inflation ____ 54
Figure 40.--Percent Increase in Center Child Care Rates and Teachers' Wages, 1990 to 1998 (Adjusted for Inflation, with 1990 as Base Year) ____ 54
Figure 41.--Facilities Serving DSHS-Subsidized Children ____ 56
Figure 42.--DSHS-Subsidized Children as Percent of All Children in ____ 57
Figure 43.--Distribution of DSHS-Subsidized Children, According to the Proportion of Children in the Center Subsidized by DSHS ____ 60
Figure 44.--On-Time Payment for DSHS-Subsidized Children, For Centers Serving DSHS-Subsidized Children ____ 61
Figure 45.--Payment Problems with DSHS-Subsidized Families, For Centers with DSHS-Subsidized Children ____ 61
Figure 46.--Number of Children in Centers by Monthly Charges for Full-Time Preschool Care, Region 4 ____ 63
Figure 47.--Number of DSHS-Subsidized Children in Centers by Monthly Charge for Full-Time Preschool Care, Region 4 ____ 64
Figure 48.--Ethnic Distribution of Children in Child Care Centers and Licensed Family Homes ____ 65
Figure 49.--Distribution of Children in Child Care Centers versus Licensed Family Homes By Ethnicity ____ 66
Figure 50.--Distribution of Children by Ethnicity of Family Home Provider ____ 68
Figure 51.--Distribution of Family Providers by Ethnicity of Child ____ 68
Figure 52.--Ethnic Composition of DSHS-Subsidized Children in Licensed Family Homes ____ 69
Figure 53.--Percent of Children in Licensed Family Homes Subsidized by DSHS, By Ethnicity ____ 69
Figure 54.--Ethnic Composition of Centers by Concentration of DSHS-Subsidized Children ____ 71
Figure 55.--Percent Attending Centers with at Least 25 Percent Subsidized by DSHS ____ 71

Figure B1:--Number of Licensed Child Care Centers, 1998 ____ 80
Figure B2:--Number of Licensed Child Care Homes, 1998 ____ 81
Figure B3:--Child Care Slots in Licensed Centers, 1998 ____ 82
Figure B4:--Full-Time Equivalent Slots in Licensed Family Homes, 1998 ____ 83
Figure B5:--Capacity of Licensed Family Homes, 1998 ____ 84
Figure B6:--Total Licensed Capacity, 1998 ____ 85
Figure B7:--Total Child Population (0-12 Years), 1998 Estimate ____ 86
Figure B8:--Licensed Slots per 100 Children, 1998 ____ 87
Figure B9:--DSHS-Subsidized Children in Licensed Care, 1998 ____ 88
Figure B10:--Total Reported Vacancies in Licensed Care, 1998 ____ 89
Figure B11:--Vacancy Rate in Licensed Care, 1998 ____ 90

EXECUTIVE SUMMARY

Background

Washington State's Department of Social and Health Services (DSHS) subsidized care for about 54,000 children in each month of 1998. These children are from low-income families with parents who are working, going to school, homeless, or in some other DSHS program. The number of children receiving DSHS subsidies has tripled in the past decade About two-thirds of DSHS-subsidized children are cared for in licensed family homes or child care centers.

Federal regulations require that Washington State tie their subsidy rates to a local market survey of child care rates conducted at least every two years. To comply with this regulation DSHS conducts a biennial survey of all child care centers and a sample of licensed family home providers. In addition to child care rates, the surveys provide information on the child care industry. This report describes the surveys conducted in the spring of 1998. A total of 1,137 child care centers and 1,527 family home providers were interviewed.

Major Findings

Findings About Child Care Rates

- Over the period 1990 to 1998, the inflation-adjusted cost of care increased 22% in centers and 20.5% in homes. In the past two years (1996 to 1998), the price of full-time family home care after adjusting for inflation climbed by 3% (from $396 to $406) and that of centers went up 4% (from $433 to $453).
- Child care rates vary by geographic areas and the age of the child.
- Geographic region is a strong predictor of child care rates: average prices tend to be higher in Western Washington than in Eastern Washington. Average rates are highest in King County (Seattle).
- In general, centers charge more than licensed family homes.
- Child care centers that provided health insurance to their employees, were for-profits, or had less than 5% of their children subsidized by DSHS charged higher rates.
- Family home providers who had some college education charged higher rates than family home providers without any college education.

Findings About Child Care Market

- An estimated 170,200 children in Washington State were in licensed care in spring of 1998. Almost 70% of these children were in child care centers and the remaining 30% were in licensed family homes.
- Licensed providers in 1998 grossed almost $700 million dollars and employed approximately 29,400 people.

- Estimated total revenues for the entire child care industry (licensed and unlicensed) in Washington exceeded $1 billion dollars in 1998.
- After six years of growth, there was a decline in the number of licensed family homes from 8,600 in 1996 to 7,861 in 1998. The number of centers, on the other hand, rose from 1,796 in 1996 to 1,840 in 1998.
- The number of children in licensed care increased 4% per year from 1996 to 1998.
- Children of preschool age (between 2½ and 5) were much more likely to be in licensed care than children of other ages. About one out of every three preschoolers (39%) attended a licensed home or child care center. Only 9% of infants were in licensed care.

Findings About Child Care Centers

- The number of children in child care centers grew by 38% in the eight year period 1990 to 1998, from 85,000 in 1990 to 116,900 in 1998. Between 1996 and 1998, the number of children in child care centers rose 17%.
- Forty-one percent of children in child care centers in 1998 were preschoolers; 4% were infants.
- The vast majority of centers provide full-time care for preschool age children (77%), while only about one-third of centers provide full-time care for infants (32%).
- Fifty-six percent of children in centers in 1998 received full-time care.
- The proportion of centers with vacancies declined from 66% in 1996 to 57% in 1998.
- The vacancy rate (number of vacancies/total capacity) declined from 16% to 12% from 1996 to 1998.
- Pay for teachers at centers averaged $7.73 per hour; aides averaged $6.34 per hour. After adjusting for inflation, there has been no increase in average wages since 1992.
- Only 8% of centers were open before 6 in the morning; 4% were open until 7 or later in the evening.

Findings About Licensed Family Homes

- The number of children in licensed family homes has declined recently from 60,100 in 1994 to 53,300 in 1998.
- Thirty-five percent of children in licensed family homes in 1998 were preschoolers; 6% were infants.
- Most licensed family homes provide full-time child care for preschoolers (77%), while less than one-quarter of family homes provide full-time care for infants (24%).
- Fifty-nine percent of children in licensed family homes in 1998 received full-time care.

- Somewhat more than half of family homes (56%) had been in operation for four years or more.
- Thirty-seven percent of family homes had vacancies, virtually the same as in 1996.
- The 1998 vacancy rate of 14% for family homes (number of vacancies/total capacity) was unchanged from 1996.
- Since 1992, the share of family home providers with formal training in early child education or child development has increased from 56% in 1994 to 74% in 1998.
- Assistants in family homes earned $6.43 per hour on average. Assistants' wages (after adjusting for inflation) have increased approximately 2% per year since 1992.
- Sixty-nine percent of family homes had liability insurance in 1998, compared to 58% in 1996.
- Over three-quarters of licensed family homes (77%) participated in the USDA food program in 1998.
- Only 15% of licensed family homes were open before 6 in the morning; 9% were open until 7 or later in the evening.

Findings About DSHS-Subsidized Child Care

- Child care was subsidized for 104,500 children over the course of federal fiscal year 1998. An estimated 54,500 children per month received subsidized care in either licensed or exempt settings in 1998.
- An estimated 32,400 children received subsidized child care in either a licensed family home or child care center in April and May of 1998.
- Eighteen percent of children in centers and 20% of children in family homes received care subsidized by DSHS in the spring of 1998.
- Eighty-seven percent of centers cared for at least one DSHS-subsidized child in 1998.
- Fifty-two percent of licensed family homes cared for at least one DSHS-subsidized child in 1998.
- Three-quarters of centers that serve DSHS children say that the parents of subsidized children generally paid their portion of the fees on time. A substantial majority of centers (60%) report that the payment problems for subsidized families are the same as those for non-subsidized families with the remaining 40% divided over which families were worse.

Findings About Ethnicity

- In child care centers, 76% of all children are non-Hispanic whites, 9% are black, and 7% are Hispanic. In licensed family homes, 78% of all children are non-Hispanic whites, 12% are Hispanic, and 4% are black.
- The ethnic composition of both children and providers in licensed family homes is similar to the ethnic composition of children under five in the state as a whole. Centers have a slightly higher proportion of black children than their proportion in the state overall.
- Licensed family home providers tend to serve children who share their ethnicity: 85% of the children cared for by white providers are white; 63% of the children cared for by Hispanic providers are Hispanic; and 62% of the children cared for by black providers are black.
- While 78% of all children in licensed family homes are white, only 55% of children in licensed family homes who are subsidized by DSHS are white. Over half of all black and Hispanic children in licensed family homes are subsidized by DSHS.
- Child care centers with a high proportion of children subsidized by DSHS are more ethnically heterogeneous than the state as a whole. While about one-third of children that attend centers go to centers where at least 25% of the children are subsidized by DSHS, over half of all Hispanic, Black, and Native American children that attend child care centers go to such centers.

CHAPTER 1. INTRODUCTION

In 1998, the Department of Social and Health Services (DSHS) subsidized child care for about 54,500 children each month. About 35,500 of these children received care in the licensed child care market, where they represent about one-fifth of all children in care. The other 19,000 children received subsidized care either in their own home or in the home of a relative.

State and federal regulations require DSHS to set subsidy rates based on local child care market surveys conducted at least every two years. If subsidy rates are too low compared to the going market rates, then many providers may either not accept or limit the number of subsidized families they will serve. The child care surveys enable DSHS to tie their rates to market rates and to set those rates by region so that subsidized children around the state have equal access to the market. The setting of market based local child care rates is the primary purpose for the surveys described in this report.

A secondary objective of the surveys is to provide information about child care centers and licensed family homes in Washington State. The many issues covered by the surveys include:

- the population of children receiving licensed child care;
- capacity and vacancies in licensed facilities;
- the costs associated with providing child care, such as salaries, benefits, liability insurance, and rent or mortgage;
- characteristics of providers, such as professional education, years in operation, and center type—whether centers are government run, non-profit, or for-profit;
- number of providers caring for DSHS subsidized children;
- hours of operation; and
- trends in rates, compensation, and other changes in the child care market.

Background

The Department of Social and Health Services has been helping families pay for child care since DSHS was created in the late 1970s. At that time, the several programs were small and targeted to very specific populations. Each had its own funding stream and rules. In the past ten years, as the importance of child care in the employment of low-income families has become apparent, both state and federal funding of child care programs has increased. Guided by federal rules, state legislative mandates, and its own commitment to supporting families with children, DSHS has moved from a small fragmented set of small programs toward a system with one set of income eligibility criteria and one payment schedule for all programs.

With the introduction of Washington's pilot welfare program, the Family Independence Program (FIP), the state began paying for child care based on market surveys of child care rates. The use of market surveys allows DSHS rates to reflect the private market and to account for differences in markets. DSHS sets rates at a uniform percentile across markets. This means that parents should have equal access to the same percent of slots regardless of where they live, what type of provider they choose, and the age of their child or children.

DSHS surveys the child care market every two years. Following the legislative appropriation of funding, DSHS sets new subsidy rates at the highest percentile the appropriation will support.

Geography and Child Care Markets

Market rates for child care vary widely across Washington State. In setting regional rates, DSHS aims to ensure that clients throughout the state have equal access to child care, whether they live in areas with costly child care or in areas with relatively inexpensive care.

Before 1995, DSHS used the market surveys to identify clusters of counties with similar rates. Counties in the same cluster had the same rate schedule. Unfortunately, these clusters of counties proved to be unstable, needing re-definition with each market survey. The six DSHS Administrative Regions therefore were selected as the permanent geographical basis for setting subsidy rates for child care. The DSHS regions are stable, well recognized, and permit reasonable estimates of local markets.

The distribution of counties among DSHS Regions is shown in Figure 1 and Table 1.

Figure 1. DSHS Administrative Regions

Table 1. Assignment of Counties into DSHS Regions

Region 1	Region 2	Region 3	Region 4	Region 5	Region 6
Adams	Asotin	Island	King	Kitsap	Clallam
Chelan	Benton	San Juan		Pierce	Clark
Douglas	Columbia	Skagit			Cowlitz
Ferry	Franklin	Snohomish			Grays Harbor
Grant	Garfield	Whatcom			Jefferson
Lincoln	Kittitas				Klickitat
Okanogan	Walla Walla				Lewis
Pend Oreille	Yakima				Mason
Spokane					Pacific
Stevens					Skamania
Whitman					Thurston
					Wahkiakum

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Study Methods

Licensed Facilities

This study surveyed two types of child care facilities licensed in the state of Washington: (1) child care centers (referred to as centers hereafter); and (2) family child care homes (referred to as family homes or homes hereafter). This survey does not account for unlicensed or illegal care. (Not all unlicensed care is illegal. For example, child care provided by a relative in the relative's home is not subject to licensing; it is legal, but it is exempt from licensing.)

Centers, defined as facilities that are not residences, are licensed to care for a specific number of children based on staff and space requirements. Family homes are located in residences and are licensed to care for up to 12 children—subject to the provider's education, experience, and staffing.

As of February 1998, there were 1,840 licensed child care centers in Washington State caring for about 116,900 children. There were also 7,860 family homes in the state caring for about 53,300 children.

Survey of Child Care Centers

Under contract with DSHS, staff at Washington State University's Social and Economic Sciences Research Center (SESRC) attempted to interview directors of all licensed child care centers in Washington State. The list of 1840 centers comprised every child care center licensed in the state as of January 1, 1998.

The SESRC attempted to contact all centers. In the course of conducting the survey an additional eighteen centers were identified. Most of the phone interviews were conducted in May 1998, with less than three percent conducted in June or July 1998. The initial phone contact included a screen to determine if the center was part of a multi-site organization and whether the information should be obtained from an executive director. In those cases a personalized mail questionnaire was prepared and sent to the executive director during the last week of May 1998. A total of 474 multiple-site centers were contacted by mail, with about 30 percent of respondents reporting information for the second half of June. Overall, over 90 percent of responses refer to when public elementary schools were in session. Therefore, the data reflect the child care market as it exists approximately nine months out of the year.

Completion rate statistics for centers are summarized in Table 2. Interviewers disqualified 132 because the providers were out of business or not currently offering child care. Of the remaining 1,726 centers, 1,137 completed interviews for a completion rate of 65.9 percent of eligible centers. If a center had a working phone number, interviewers attempted five phone calls before dropping that center from the sample.

The response rate for centers was lower than in previous surveys and is a cause for concern. Information from the licensing file was used to compare the licensed capacity of responding centers to that for all licensed child care centers. We found that the licensed capacity of responding centers (59.3) was significantly higher than that for non-responding centers (47.5). However, too little is known about the non-responding centers to correct for non-response bias. Modifications are planned in the 2000 survey to reduce the problem of non-response.

When analyzing the center data we assumed that non-responding centers were similar to those that responded to the survey. We assumed, further, that the turnover of centers is rapid enough that new centers replaced those no longer in business. To reflect the responses of all centers, we established a weighting factor for each county based on the number of centers in a county relative to the number of centers responding. Even in the case of center capacity, these weights produced reasonable estimates, with the average capacity for all centers (52.3) not much lower than the average capacity estimated by weighting the responding centers (55.6).

Table 2. 1998 Center Survey—Sample Completion Rate Statistics

	Number of Centers	Sub-Total Percent	Grand-Total Percent
Eligible Child Care Centers			
Completed Interviews	1,137	65.9%	61.2%
Phone Interviews	916		
Mail Questionnaire	221		
Mail Questionnaires Not Returned	241	14.0%	13.0%
Refused [1]	42	2.4%	2.2%
Not Available [2]	306	17.7%	16.5%
Sub-total	1,726	100.0%	92.9%
Excluded Child Care Centers			
Ineligible [3]	73	55.3%	3.9%
Non-Working Number [4]	59	44.7%	3.2%
Sub-total	132	100.0%	7.1%
Total Sample	1,858		100%

[1] Includes 6 partially completed interviews.
[2] Unable to reach in five attempts, answering machine, or language problem.
[3] Not a child care provider, or not a child care center.
[4] Disconnected numbers, wrong numbers, duplicates, or electronic device.

Source: DSHS Research and Data Analysis
1998 Survey of Child Care Centers

Survey of Family Homes

Between April 16 and May 15, 1998, staff at the SESRC interviewed almost 20 percent of the state's licensed family home child care providers. The data from these interviews reflect the child care market as it existed during the school year.

The SESRC attempted to contact 2,115 family homes by telephone. Interviewers disqualified 385 providers who were out of business, operating as a child care center, or not currently offering child care. Of the remaining 1,730 eligible family homes, 1,527 completed interviews for a completion rate of 88.3 percent. Two hundred and three eligible providers either refused to participate in the survey or were unavailable during the interview period. Interviewers attempted to call all working phone numbers five times. Completion rate statistics for the family home survey are summarized in Table 3.

Table 3. 1998 Family-Home Survey—Sample Completion Rate Statistics

	Number	Sub-Total Percent	Grand-Total Percent
Eligible Family Homes			
Completed Interviews (1)	1,527	88.3%	72.2%
Refused	53	3.0%	2.5%
Not Available (2)	150	8.7%	7.1%
Sub-Total	1,730	100.0%	81.8%
Excluded Family Homes			
Ineligible (3)	219	56.9%	10.4%
Non-Working Number (4)	166	43.1%	7.8%
Sub-Total	385	100.0%	18.2%
Total Sample	2,115		100.0%

(1) Includes 8 partially completed interviews.

(2) Unable to reach in five attempts, answering machine, or language problem.

(3) Not a child care provider, or was a child care center.

(4) Disconnected numbers, wrong numbers, duplicates, or electronic device.

Source: DSHS Research and Data Analysis
1998 Survey of Child Care Centers

Sampling Methods for the Family Home Survey

Some counties in the state have so few licensed family homes that a random sample drawn from a pool of all counties might leave small counties under-represented in this study. As of January 1, 1998, there were 7,860 DSHS licensed family homes in the state. The number of licensed homes varied widely among counties, from zero in Garfield County to over 2,000 in King County (see Table 4 and Appendix A1 or B2). To reduce the chance that small counties might be under-represented, we stratified the sample according to the number of licensed family home child care providers in a given county.

We separated counties into eight groups or strata. In counties with fewer than 40 homes, every provider was surveyed. For all other counties (except King County), the smaller the number of licensed family homes in a county the higher the proportion of homes surveyed: for counties with 41 to 70 homes, 75 percent of homes were sampled; for counties with 71 to 100 homes, 60 percent of homes were sampled; for counties with 101 to 150 homes, 50 percent were sampled; for counties with 151 to 200 homes, 40 percent were sampled; for counties with 201 to 400 homes, 25 percent were sampled; and for counties with more than 400 providers, 17 percent were surveyed. The last stratum, King County, was sampled at 19 percent.

The numbers of homes in each county—organized into the eight sample strata—are shown in Table 4. Also shown in the table are the sample sizes drawn from each county, the number of completed interviews, and their corresponding percent of the population. For analysis, we weighed all the data from family homes to account for participation rates and for the different sampling rates in each county.

Spanish Language Interviews

The 1996 survey pointed out a possible non-response bias in the family home survey because phone interviewers could not communicate with Spanish-speaking providers. To correct for this problem a Spanish version of the questionnaire was prepared for the 1998 survey. The telephone interview was translated into Spanish and mock interviews were conducted. After the mock interviews, the people interviewed gave suggestions and the questionnaire was then back-translated into English. In 1996 there were 71 non-completions because of language differences. In 1998 there were only four non-completions because of language differences.

Table 4. 1998 Family Home Survey—Total Homes, Homes Surveyed, and Number of Homes Surveyed by County

	Licensed Homes	Homes Sampled	Homes Interviewed	Percent of Homes Interviewed
Fewer than 40 Family Homes (sampled at 100%):				
ADAMS	24	24	15	62.5%
ASOTIN	13	13	10	76.9%
COLUMBIA	2	2	2	100.0%
FERRY	1	1	0	0.0%
GARFIELD	1	1	0	0.0%
JEFFERSON	28	28	24	85.7%
KLICKITAT	27	27	16	59.3%
LINCOLN	10	10	9	90.0%
PACIFIC	17	17	15	88.2%
PEND OREILLE	7	7	6	85.7%
SAN JUAN	12	12	8	66.7%
SKAMANIA	4	4	3	75.0%
STEVENS	28	28	19	67.9%
WAHKIAKUM	1	1	0	0.0%
Totals	175	175	127	72.6%
41 to 70 Family Homes (sampled at 75%):				
CLALLAM	62	46	33	53.2%
COWLITZ	69	51	42	60.9%
KITTITAS	51	38	33	64.7%
LEWIS	62	47	33	53.2%
MASON	57	42	34	59.6%
OKANOGAN	57	42	30	52.6%
WALLA WALLA	60	45	30	50.0%
WHITMAN	44	33	25	56.8%
Totals	462	344	260	56.3%
71 to 100 Family Homes (sampled at 60%):				
DOUGLAS	86	51	34	39.5%
GRAYS HARBOR	77	46	39	50.6%
ISLAND	84	50	34	40.5%
Totals	247	147	107	43.3%
101 to 150 Family Homes (sampled at 50%):				
WHATCOM	121	60	46	38.0%
Totals	121	60	46	38.0%
151 to 200 Family Homes (sampled at 40%):				
CHELAN	191	76	52	27.2%
FRANKLIN	164	66	52	31.7%
GRANT	193	77	51	26.4%
SKAGIT	152	61	44	28.9%
Totals	700	280	199	28.4%
201 to 400 Family Homes (sampled at 25%):				
BENTON	302	76	57	18.9%
KITSAP	337	84	51	15.1%
THURSTON	296	74	56	18.9%
Totals	935	234	164	17.5%
401 or more Family Homes (sampled at 17%):				
CLARK	659	99	70	10.6%
PIERCE	747	112	82	11.0%
SNOHOMISH	904	135	93	10.3%
SPOKANE	566	97	82	14.5%
YAKIMA	490	83	61	12.4%
Totals	3366	526	388	11.5%
King County: Total	1855	350	236	12.7%
GRAND TOTALS	7861	2116	1527	19.4%

Source: DSHS Research and Data Analysis
1998 Survey of Family Homes

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CHAPTER 2. THE CHILD CARE MARKET

Child Care Population

Based on the surveys conducted from April through June of 1998, we estimate that 170,200 children in Washington State were in licensed care. Almost 70 percent of these children were in child care centers and the remaining 30 percent were in licensed family homes.

In-home care (care in the child's home, not subject to licensing) and unlicensed out-of-home care were not part of this study. These populations were estimated in 1990. Assuming that the proportion of children in these situations has remained the same since the 1990 study, the number of children in unlicensed out-of-home and in-home care were 56,000 and 37,200 respectively. Therefore, an estimated 263,400 children were in paid, licensed and unlicensed child care in Washington State during the study period (Table 5).

In the following chapter, more detailed information about child care populations in Washington State is provided in Table 9 for centers and in Table 10 for family homes.

Table 5. Estimates of Children in Licensed and Unlicensed Child Care

		Children Enrolled	Total [1] Capacity	Number of Vacancies	Vacancy Rate [2]
Licensed Care					
Centers	Full-time	65,600			
	Part-time	51,300			
Total in Centers		116,900	108,800	13,000	12%
Family Homes	Full-time	31,400			
	Part-time	21,900			
Total in Family Homes		53,300	57,200	8,200	14%
Total in Licensed Care		170,200	166,000	21,200	13%
Unlicensed Care [3]					
Out-of-Home		56,000			
In-Home		37,200			
Total Unlicensed Care		93,200			
Total in Licensed and Unlicensed Care		**263,400**			

[1] For centers, licensed capacity. For family homes, licensed capacity less providers' children.

[2] Vacancy rate = vacancies/capacity.

[3] Estimated from proportions in the 1990 survey. [*Child Care Rates in Washington: 1990*]

Source: DSHS Research and Data Analysis
1998 Surveys of Child Care Centers and Family Homes

Employment and Income

Based solely on child care rates and populations reported in the 1998 surveys, we estimate that licensed child care providers in Washington State grossed almost $700 million in 1998. Estimated total revenues for the entire child care industry (licensed and unlicensed) in Washington exceeded $1 billion dollars in 1998. As shown in Table 6, the licensed child care industry employed almost 30,000 persons at the time of the interviews.

Table 6. Estimates of Employment and Revenue in Washington State's Child Care Industry, 1992, 1994, 1996, and 1998

	Total Number of Employees				Revenue in Million Dollars			
	1992	1994	1996	1998	1992	1994	1996	1998
Centers	15,200	16,220	16,667	20,400	$ 292	$ 363	$ 375	$ 507
Family Homes	9,400	9,928	10,166	9,000	$ 141	$ 178	$ 187	$ 183
All Licensed Facilities	**24,600**	**26,148**	**26,833**	**29,400**	**$ 433**	**$ 541**	**$ 561**	**$ 690**
Out-of-Home Care [1]	7,500	8,521	8,797	9,400	$ 113	$ 152	$ 167	$ 193
In-Home Care [2]	13,600	15,948	15,538	16,900	$ 77	$ 104	$ 110	$ 128
All Unlicensed Care [3]	**21,100**	**24,469**	**24,335**	**26,300**	**$ 190**	**$ 256**	**$ 277**	**$ 321**
Industry Total	**45,700**	**50,617**	**51,168**	**55,700**	**$ 623**	**$ 797**	**$ 839**	**$1,011**

[1] Includes unlicensed out-of-home care provided by non-relatives that should, by law, be licensed. Number employed based on family-home adult-child ratio and proportions observed in 1990 survey of parents.

[2] Number of in-home care employees based on 1990 survey: (2.2 children/caregiver.)

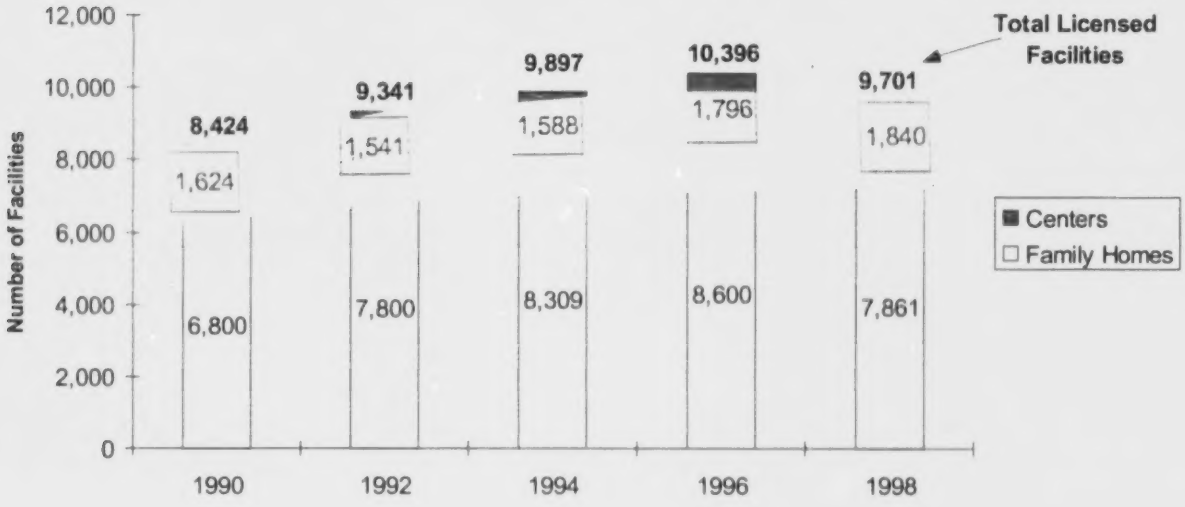
[3] Assumes same cost per child as in licensed family home care ($3438/child/year in 1998).

Source: DSHS Research and Data Analysis
1992, 1994, 1996, and 1998 Surveys of Child Care Centers and Family Homes

Growth of the Licensed Child Care Industry

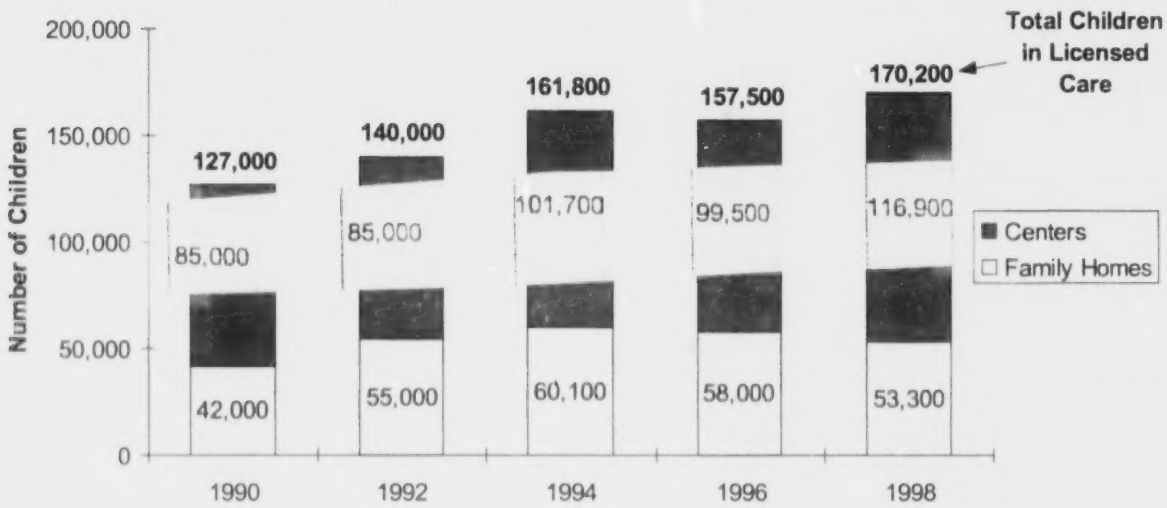
The following two graphs show changes in the size of the licensed child care industry from 1990 to 1998. After a six year period of growth, there has been a decline in the number of licensed family homes. The number of centers, on the other hand, reached a new high in 1998 (Figure 2). From 1990 to 1994, the number of children enrolled in licensed child care increased for both centers and homes (Figure 3). Between 1994 and 1996 the number of children in centers and in homes remained about the same. In the last two years there has been a large increase in the number of children attending child care centers and a decline in the number of children in licensed family homes. Overall, the number of children in licensed care increased four percent per year in the period 1996 to 1998.

Figure 2. Licensed Child Care Facilities in Washington State, 1990 to 1998



Source: DSHS Research and Data Analysis
1990, 1992, 1994, 1996, and 1998 Surveys of Child Care Centers and Family Homes

Figure 3. Children in Licensed Care in Washington State, 1990 to 1998



Source: DSHS Research and Data Analysis
1990, 1992, 1994, 1996, and 1998 Surveys of Child Care Centers and Family Homes

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CHAPTER 3. CHILDREN IN LICENSED CARE

Introduction

State law sets the licensing regulations for child care centers and family homes. In evaluating each licensed facility, the Department of Social and Health Services (DSHS) examines: (1) its premises, equipment, and physical conditions; (2) the number and skills of the licensee and staff; and (3) the ages and characteristics of the children served. The regulations for family home providers differ considerably from those for child care centers. For various reasons, many centers and homes do not operate at their licensed maximum capacity.

DSHS child care regulations differ according to the ages of the children served. For example, in child care centers one adult may care for up to either four infants or fifteen school-age children. Since younger children require more adult supervision than older children, most providers charge more for the care of younger children. In family homes, the number of children under two years old is strictly limited and affects the number of children over two that a provider can serve.

For this report we categorized children into discrete age groups in accordance with the definitions DSHS uses for licensing regulations. These categories are consistent with the age classifications used by many child care providers:

- Infants, under 12 months old;
- Toddlers, from 12 to 29 months old;
- Preschoolers, from 30 months up to 5 years old; and
- School-age children, from 5 to 12 years old (in the survey of child care centers the subgroup of the school-age population attending kindergarten was analyzed separately).

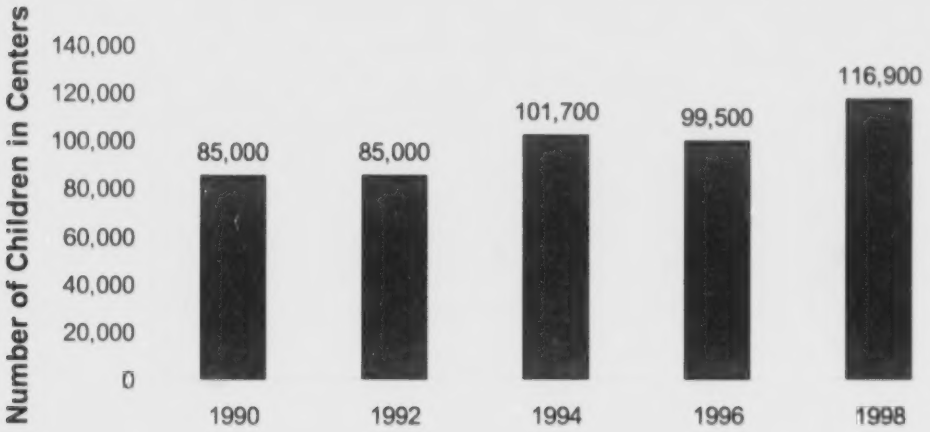
In addition to the age of the child, most providers charge more on a monthly basis for children in full-time care than for children in part-time care. Full-time care, as defined in this report, refers to care provided 30 or more hours per week (about 130 hours a month). Care is considered to be part-time if the child receives less than 30 hours of care per week.

Child Care Centers

Number of Children in Care, Capacity, and Vacancies in Child Care Centers

The number of children in child care centers has grown substantially in the past eight years, rising 38 percent from 85,000 in 1990 to 116,900 in 1998. Just in the past two years the number of children attending child care centers has risen approximately 17 percent while the number of operating child care centers has risen only 2 percent from 1,807 to 1,840 in the same time period. (See Figure 4.)

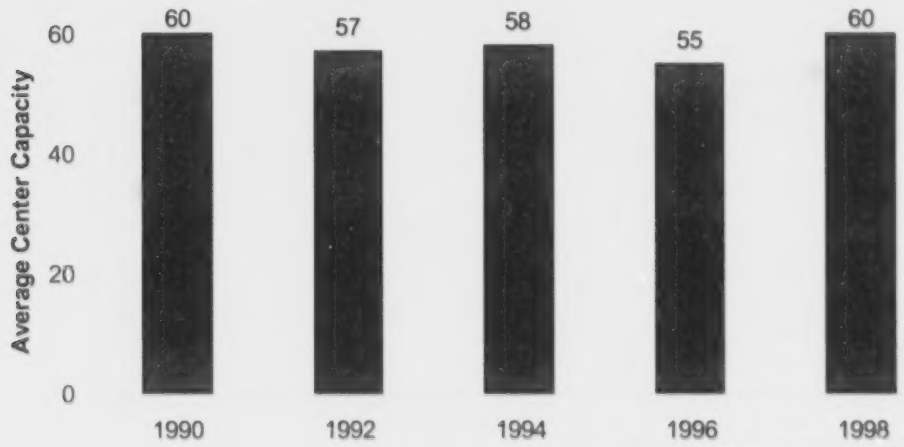
Figure 4. Number of Children in Licensed Child Care Centers, 1990-1998



Source: DSHS Research and Data Analysis
1990, 1992, 1994, 1996 and 1998 Surveys of Child Care Centers and Family Homes

The growth in the number of children in child care centers is attributable to an increase in the number of centers, a rise in the average capacity of child care centers, and a decrease in the vacancy rate at centers (discussed later in this chapter). The licensed capacity of a child care facility is the maximum number of children allowed on the premises at any time. An increase in average capacity in the last two years is indicated in Figure 5. Because of the low response rate by small centers to the 1998 survey it is necessary to wait for the 2000 survey to be certain of the validity of the rise in average capacity suggested by the 1998 survey.

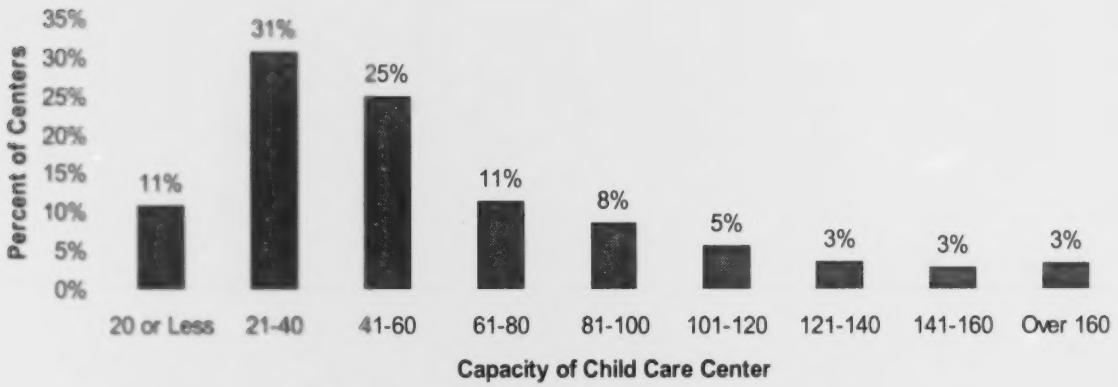
Figure 5. Average Capacity of Licensed Child Care Centers, 1990-1998



Source: DSHS Research and Data Analysis
1990, 1992, 1994, 1996 and 1998 Surveys of Child Care Centers and Family Homes

The licensed capacity of child care centers varies widely: over 40 percent of centers have a capacity of forty or fewer children while 9 percent of centers have a capacity of over 120 (see Figure 6).

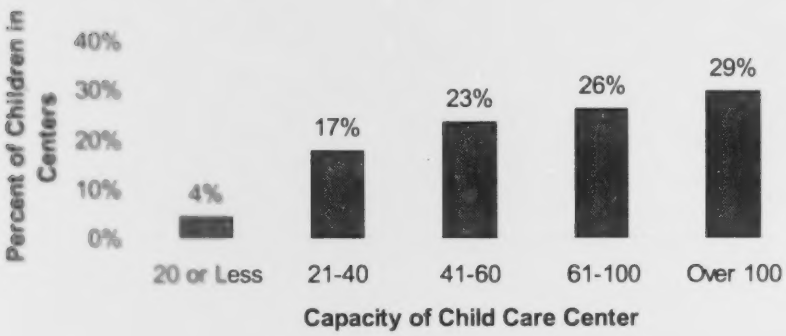
Figure 6. Distribution of Centers by Capacity



Source: DSHS Research and Data Analysis
1998 Survey of Child Care Centers

While many centers are small, the bigger centers serve large numbers of children. While 40 percent of all child care centers have a capacity of forty or less, only about 20 percent of the children attending centers go to centers of such size. Over half of all children in centers (55 percent) go to centers with capacities of more than 60 (see Figure 7).

Figure 7. Distribution of Children in Centers by Capacity



Source: DSHS Research and Data Analysis
1998 Survey of Child Care Centers

To estimate vacancies, providers were asked how many openings they had for children of any age.

While not all facilities had vacancies, 57 percent of centers reported at least one vacancy. The average number of vacancies was 7.1 vacancies per center. The proportion of centers with vacancies for infants, toddlers, or preschoolers did not differ by DSHS Region, but there were significant regional differences in overall vacancies and in the percentage of centers with vacancies for school-age children. Those differences are displayed in Table 7.

Table 7. Percent of Centers with Vacancies by Region For Categories with Significant Differences

Region	Any Vacancies [1]	School-Age [2]
1	61%	25%
2	65%	34%
3	50%	21%
4	53%	22%
5	53%	22%
6	66%	34%
Statewide	57%	25%

[1] Difference among regions statistically significant at 99% confidence level.
[2] Difference among regions statistically significant at 95% confidence level.

Source: DSHS Research and Data Analysis
1998 Survey of Child Care Centers

The vacancy rate is the number of vacancies as a percent of total capacity. The overall vacancy rate in 1998 was 12 percent for child care centers (compared to 16 percent in 1996). Among centers with vacancies, the average vacancy rate was 20 percent in 1998.

Table 8. Vacancy Rate in Child Care Centers by Region, 1996 and 1998

	Center Vacancy Rate	
Region	1996	1998*
1	17%	12.3%
2	18%	16.0%
3	19%	11.2%
4	14%	10.8%
5	14%	10.5%
6	16%	14.2%
All	16%	12.0%

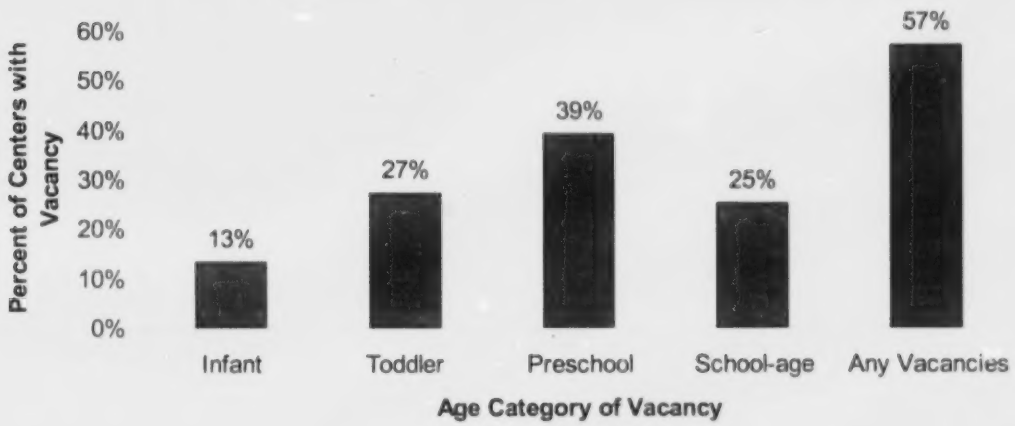
*Regions 2 and 6 have significantly higher vacancy rates than Regions 4 and 5 (at .05 level).

Source: DSHS Research and Data Analysis
1996 and 1998 Surveys of Child Care Centers

A vacant slot in a home or center may not be open to children of all ages. The state limits the number of children that can be placed in a facility by age. In centers, for example, one adult may care for either four infants, seven toddlers, ten preschoolers, or fifteen school-age children.

Therefore, while some providers may not have sufficient staff to meet adult-to-child ratios for infants, they may have vacancies for older children. The percent of centers with vacancies in various age categories are presented in Figure 8. Excluding school-age children, the younger the child, the less likely a center is to have an opening for that child.

Figure 8. Percentage of Centers with Vacancies by Age Category

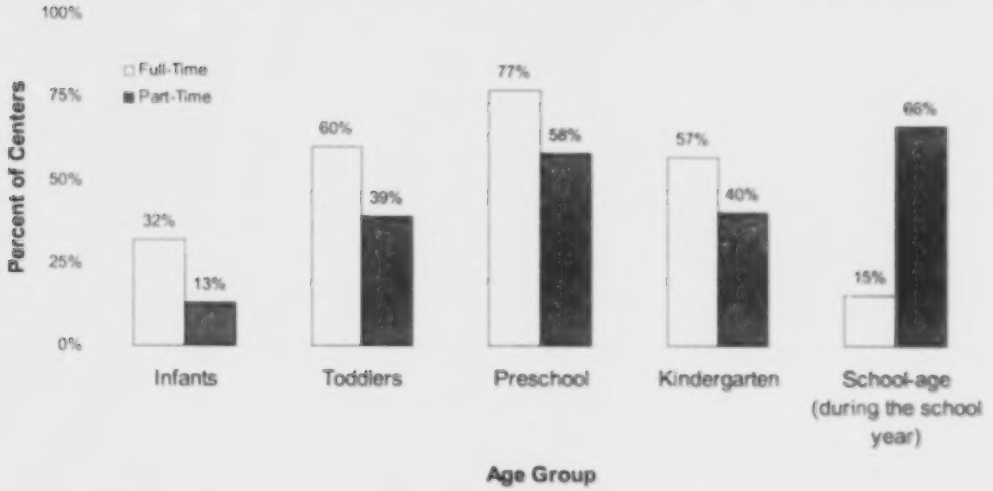


Source: DSHS Research and Data Analysis
1998 Survey of Child Care Centers

Full-Time and Part-Time Care in Centers by Age Category

Some centers provide care for children of only certain ages. The vast majority of centers provide care for preschool age children (81 percent), while only about one-third of centers provide care for infants (34 percent). In addition, many centers may not offer both full-time and part-time options. The proportion of centers offering full-time or part-time care for various age groups of children are shown in Figure 9. The most commonly provided category of care was full-time care for preschoolers: 77 percent of centers cared for full-time preschoolers. The least common care provided by centers was that offered to infants: 32 percent of centers cared for infants full-time, and 13 percent offered part-time infant care.

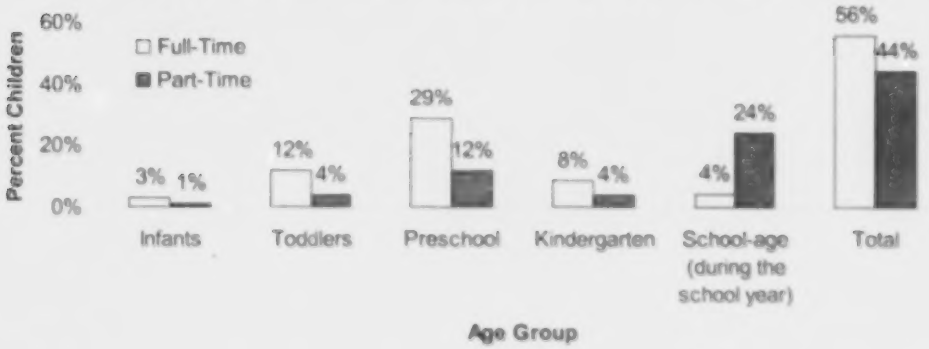
Figure 9. Centers Providing Full-Time and Part-Time Care by Age Group



Source: DSHS Research and Data Analysis
1998 Survey of Child Care Centers

The estimated distribution of children in centers by age group and time-in-care is summarized in Figure 10. Preschoolers in full-time care constitute the largest group in the center population (29 percent). Infants in part-time care are the smallest group, comprising just one percent of the child population in centers.

Figure 10. Distribution of Children in Centers in Full-Time or Part-Time Care



Source: DSHS Research and Data Analysis
1998 Survey of Child Care Centers

Many centers provide care for school-age children during the summer (data not shown). A total of 81 percent of centers offer some care for children in school (kindergarten or above) during the school year and about 64 percent offer care for these children in the summer. Among centers providing summer care for school-age children, 92 percent provide full-time care and 47 percent provide part-time care.

Table 9 lists the estimates of the numbers of children by DSHS Region and age group. Separate estimates are made for full-time and part-time children in child care centers.

Table 9. Estimated Child Care Center Populations by Age and Region

Full-Time Population Estimate [1]

Age Group	Region 1	Region 2	Region 3	Region 4	Region 5	Region 6	All
Infant	550	360	490	1,280	350	370	3,390
Toddlers	2,070	1,800	2,090	4,550	1,730	1,520	13,760
Preschool	5,220	2,620	5,220	11,260	5,300	4,220	33,840
Kindergarten	1,640	810	1,490	2,690	1,680	1,300	9,600
School-age [2]	550	360	990	1,640	1,060	390	5,000
Total	10,030	5,950	10,280	21,430	10,120	7,800	65,600

Part-Time Population Estimate [1]

Age Group	Region 1	Region 2	Region 3	Region 4	Region 5	Region 6	All
Infant	210	60	60	290	160	70	860
Toddlers	740	290	650	1,430	590	450	4,150
Preschool	2,410	950	2,360	4,710	1,670	1,760	13,860
Kindergarten	670	340	840	1,000	1,150	600	4,590
School-age [3]	3,530	2,810	2,920	9,070	4,610	4,920	27,850
Total	7,560	4,440	6,830	16,490	8,180	7,800	51,310

[1] Children in sample multiplied by a county weighting factor to estimate population.

[2] Survey was conducted during the school year. School-age children in part-time care may switch to full-time care in the summer.

[3] Part-time school-age total includes before- and after-school care.

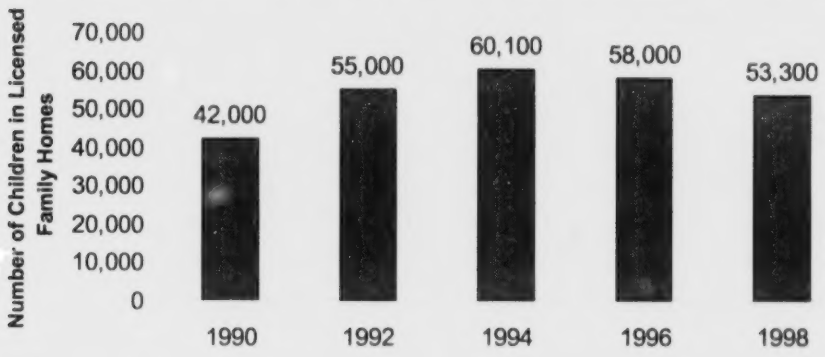
Source: DSHS Research and Data Analysis
1998 Survey of Child Care Centers

Family Homes

Number of Children in Care, Capacity, and Vacancies in Family Homes

Children in licensed family homes receive care in providers' residences. The number of children cared for in licensed family homes and the number of licensed family home providers has been declining since 1994.

Figure 11. Number of Children in Licensed Family Homes, 1990-1998



Source: DSHS Research and Data Analysis
1990, 1992, 1994, 1996 and 1998 Surveys of Child Care Centers and Family Homes

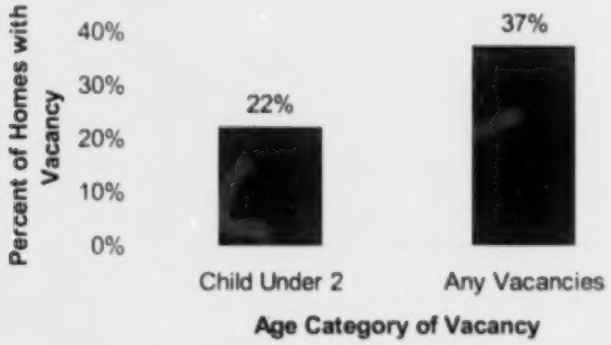
Because family homes are licensed to care for twelve or fewer children, their average licensed capacity is considerably less than that of centers. The average licensed capacity for family homes in 1998 was 7.3 children per home. The licensing regulations for family homes limit the number of children under two that can be in attendance at the same time from a maximum of two children under two with one adult providing care up to a maximum of four children under two if two adults are providing care.

Prior to 1996 our surveys did not ask family home providers about their licensed capacity; their capacity was calculated based on estimating full-time equivalents (FTEs) for the children in the home. Starting with the 1996 survey, child care providers told us their licensed capacity and the number of their own children. We used those answers to calculate the number of slots which could be provided to others. To maintain consistency with earlier surveys, the FTE method is included in the county data tables in the Appendix. All references to family home capacity in this report are based on the formula that capacity is the licensed capacity less the provider's own children.

To estimate vacancies, family home providers were asked how many openings they had for children of any age. On average, providers reported one vacancy per family home with 37 percent of homes reporting at least one vacancy. The percentage of homes with vacancies did not differ by region. The vacancy rate (number of vacancies/total capacity) in 1998 was 14 percent for family homes. Homes with vacancies had an average vacancy rate of 39 percent.

The licensing regulations for family homes strictly limit the number of children under two per licensed family home. Therefore, family home providers were asked about how many vacancies they had for children under two in addition to a general question on number of vacancies. The results are displayed in Figure 12.

Figure 12. Percentage of Family Homes with Vacancies by Age Category

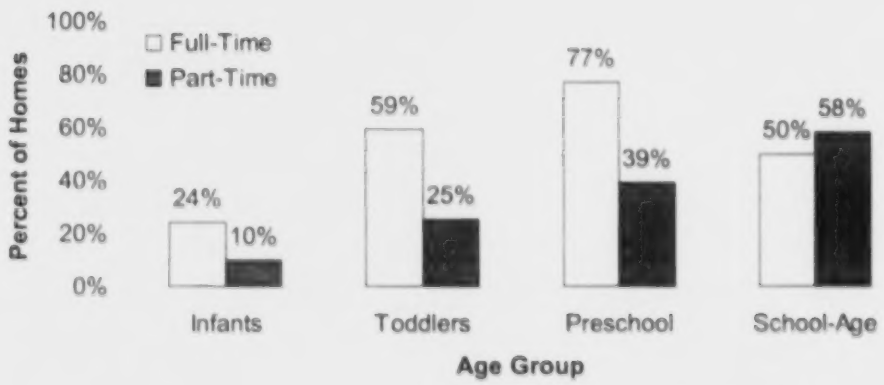


Source: DSHS Research and Data Analysis
1998 Survey of Family Homes

Full-Time and Part-Time Care in Family Homes by Age Category

As was the case with child care centers, the most common care provided by family homes was full-time child care for preschoolers. Almost 80 percent of family homes provided full-time care to preschoolers. At the other extreme, only 10 percent of homes provided part-time care to infants. Figure 13 shows the proportion of homes that provided full-time or part-time care to each age group.

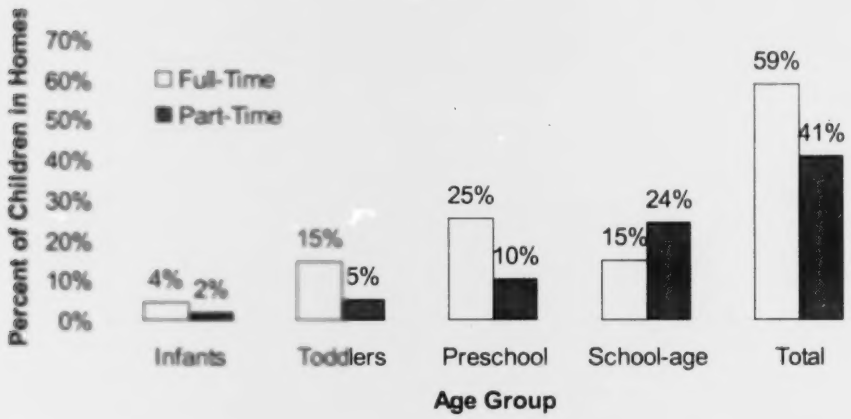
Figure 13. Homes Providing Full-Time or Part-Time Care by Age Group



Source: DSHS Research and Data Analysis
1998 Survey of Family Homes

Figure 14 shows the distribution of children in family homes by age group, and part-time or full-time status. Kindergarten-aged children are included in the school-age population for family homes. Keeping that difference in mind, the distributions of children by age group for family homes and centers are quite similar (compare Figures 10 and 14). As in centers, a small proportion of children in family homes were infants, the largest group of children were preschoolers in full-time care, and about 40 percent of all children in care were school-age.

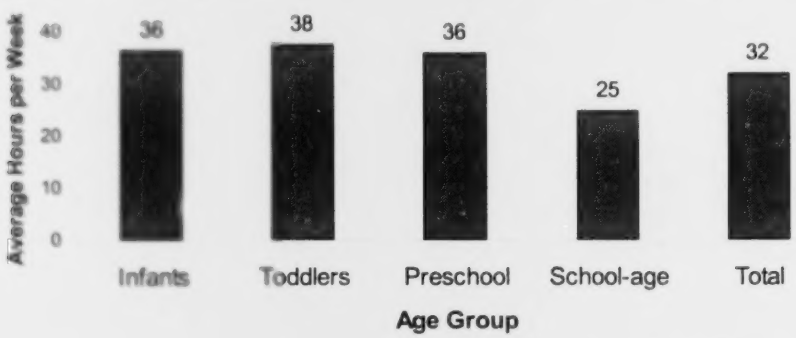
Figure 14. Distribution of Children in Homes in Full-Time or Part-Time Care



Source: DSHS Research and Data Analysis
1998 Survey of Family Homes

Children in family homes spent an average of 32 hours per week in child care. Infants, toddlers, and preschoolers spent the most time in care. School-age children spent the least time in care (25 hours/week) and are the group most likely to use only part-time care. Average time in care for all children and by age group is shown in Figure 15.

Figure 15. Average Hours per Week in Family Home Care by Age Group



Source: DSHS Research and Data Analysis
1998 Survey of Family Homes

The estimated populations of children in licensed family homes, by region, age group, and time-in-care are presented in Table 10. School-age children, because of their need for before- and after-school care, were most likely to receive part-time care. Indeed, they accounted for over half of the total part-time population in family homes.

Table 10. Estimated Licensed Family Home Child Care Populations by Age and Region

Full-Time Population Estimate [1]

Age Group	Region 1	Region 2	Region 3	Region 4	Region 5	Region 6	All
Infant	380	370	260	690	280	300	2,280
Toddler	1,200	1,060	1,190	2,020	1,050	1,240	7,760
Preschool	2,270	1,990	1,940	3,390	1,600	2,350	13,540
School-age [2]	1,130	1,230	1,290	1,640	1,200	1,310	7,790
Total	4,980	4,650	4,670	7,730	4,130	5,200	31,360

Part-Time Population Estimate [1]

Age Group	Region 1	Region 2	Region 3	Region 4	Region 5	Region 6	All
Infant	160	60	210	190	80	180	870
Toddler	410	220	530	650	360	490	2,650
Preschool	770	500	1,200	1,490	670	980	5,610
School-age [2]	2,000	1,470	2,440	1,870	2,240	2,780	12,790
Total	3,340	2,250	4,370	4,190	3,340	4,430	21,920

[1] Children in sample multiplied by a county weighting factor to estimate population.

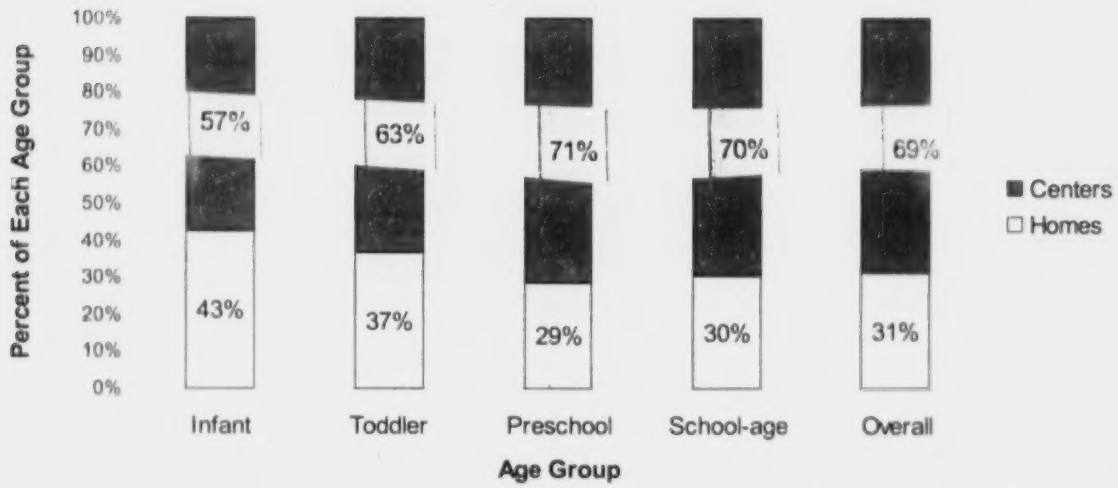
[2] Survey was conducted during the school year. School-age children in part-time care may switch to full-time care in the summer.

Source: DSHS Research and Data Analysis
1998 Survey of Family Homes

Specialization in the Child Care Market

The age distribution and hours in care for children in licensed home care appear remarkably similar to those attending child care centers. But closer examination reveals some interesting differences. While children of all ages in licensed care are more likely to attend child care centers than go to family homes, there is a relationship between the age of the child and type of licensed provider used. Compared to older children, younger children (particularly infants) are more likely to go to family homes (see Figure 16). While 31 percent of children of all ages in licensed care go to family home providers, 43 percent of infants in licensed care go to family homes.

Figure 16. Enrollment of Children in Licensed Home Care versus Child Care Centers



Source: DSHS Research and Data Analysis
1998 Surveys of Child Care Centers and Family Homes

Urban/Rural Differences

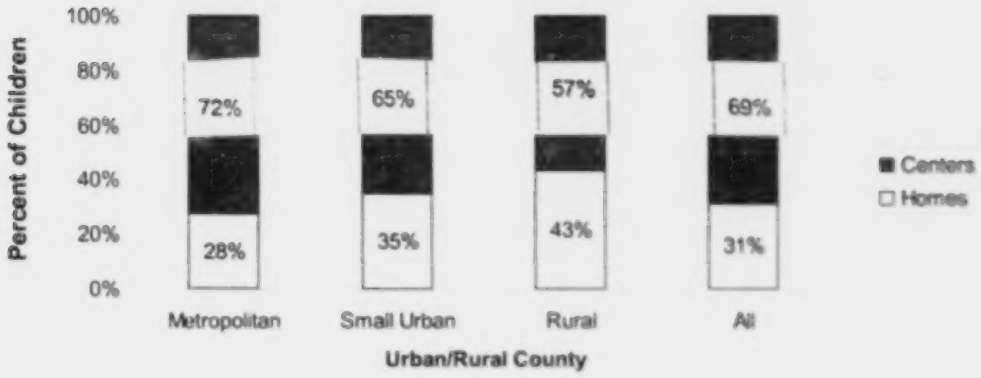
One reason for a parent to send their child to a family home provider rather than a child care center is the availability of care. It was expected that licensed care in child care centers would be less accessible in rural areas than in more urbanized areas. The thirty-nine counties in Washington State were categorized according to the size of their population in cities of 10,000 or more. Counties with more than 100,000 people in cities of 10,000 or more were categorized as Metropolitan, counties with more than 40,000 people in cities of 10,000 or more were called Small Urban, and the remaining counties were classed as Rural. (Population estimates from OFM's *State of Washington 1998 Population Trends*, 1998).

Table 11. Counties by Degree of Urbanization

Metropolitan	Small Urban	Rural		
Clark	Benton	Adams	Grays Harbor	Pend Oreille
King	Cowlitz	Asotin	Island	San Juan
Pierce	Kitsap	Chelan	Jefferson	Skagit
Snohomish	Thurston	Clallam	Kittitas	Skamania
Spokane	Whatcom	Columbia	Klickitat	Stevens
	Yakima	Douglas	Lewis	Wahkiakum
		Ferry	Lincoln	Walla Walla
		Franklin	Mason	Whitman
		Garfield	Okanogan	
		Grant	Pacific	

Using this rough division of counties according to their degree of urbanization, we see that the more rural the county the higher the proportion of children in licensed care going to family homes rather than child care centers. Only 28 percent of children in licensed care in the five most urbanized counties in Washington State go to family homes, while 43 percent of children in licensed care in the 28 most rural counties go to family homes (see Figure 17).

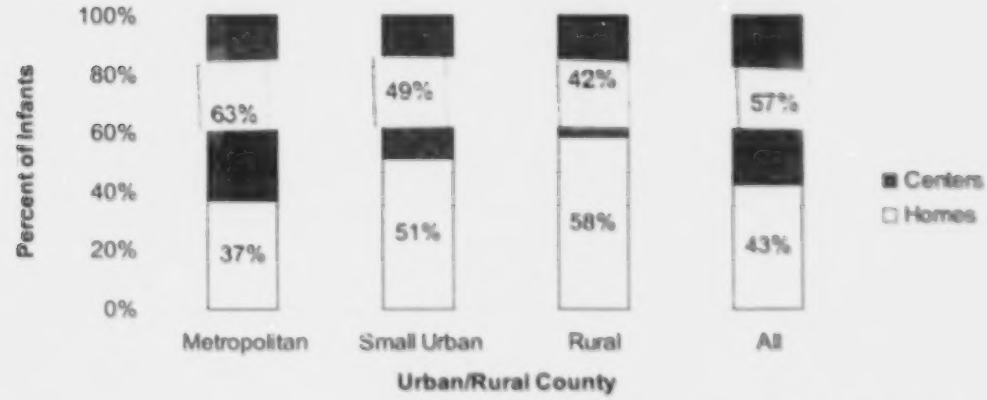
Figure 17. Distribution of Children in Licensed Care by Degree of Urbanization



Source: DSHS Research and Data Analysis
1998 Surveys of Child Care Centers and Family Homes

As shown in Figure 16, the younger the age of the child in licensed care, the more likely they are to be in family homes rather than child care centers. Indeed, outside of the five most urban counties, the majority of infants in licensed care go to family homes rather than child care centers (see Figure 18).

Figure 18. Distribution of Infants in Licensed Care by Degree of Urbanization

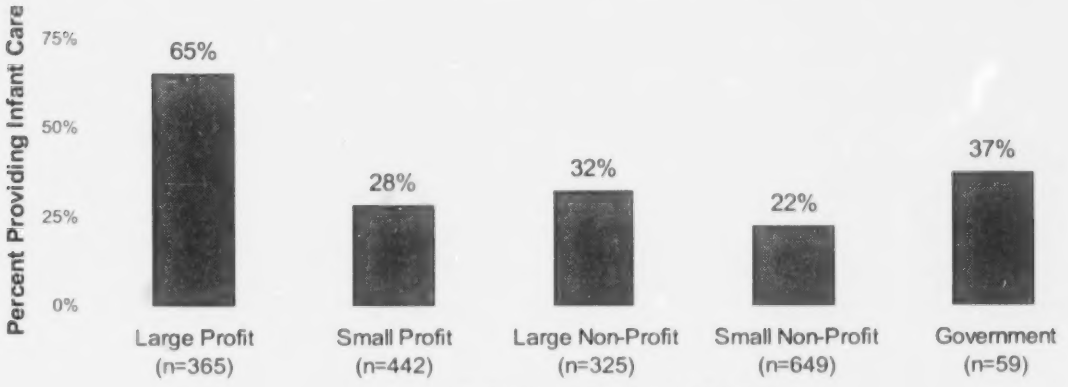


Source: DSHS Research and Data Analysis
1998 Surveys of Child Care Centers and Family Homes

Type of Center and Specialization

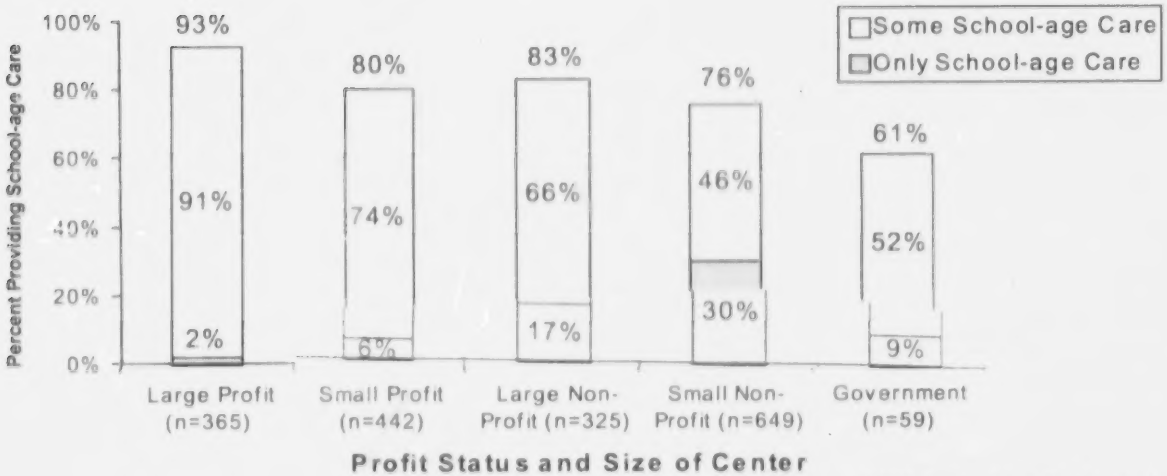
Focusing on child care centers, differences in the profit status of centers and specialization in the provision of child care were examined. Centers were classified as either non-profit, for-profit, or government centers. In addition, centers with a capacity of sixty or more were distinguished from smaller centers. While almost all centers served toddlers and preschoolers, there was evidence of specialization in the provision of care for very young and older children. For-profit centers with a capacity of sixty or more were the centers most likely to provide care for infants (see Figure 19). While large for-profit child care centers were also the most likely to provide care for school age children, centers specializing in school-age care were most often small non-profit centers (see Figure 20).

Figure 19. Child Care Centers' Profit Status and Infant Care



Source: DSHS Research and Data Analysis
1998 Survey of Child Care Centers

Figure 20. Child Care Centers' Profit Status and School-Age Care



Source: DSHS Research and Data Analysis
1998 Survey of Child Care Centers

Availability and Use of Child Care

Capacity and Vacancies for Licensed Child Care

To understand the overall availability of licensed child care in Washington State, the information on child care centers and family home providers must be combined. The decline in the number of children in licensed family homes in the past four years has been more than offset by an increase in the number of children attending child care centers. Overall, the number of children in licensed care has risen. The vacancy rate in centers has declined recently, leading to a decline in the overall vacancy rate in the licensed child care market. This suggests a possible tightness in the child care market. A summary of the overall capacity and vacancy rate in the licensed child care market is summarized in Table 12.

Table 12. Capacity and Vacancies for Licensed Child Care in Washington State

	<---------- 1998 ---------->			1996	1994
Capacity and Vacancies in:	**Total Capacity** [1]	**Number of Vacancies**	**Vacancy Rate** [2]	**Vacancy Rate** [2]	**Vacancy Rate** [2]
All Centers	108,800	13,000	12%	16%	13%
Per Center	59.5	7.1			
All Family Homes	57,200	8,200	14%	14%	16%
Per Family Home	7.3	1.0			
All Licensed Facilities	166,000	21,200	13%	15%	14%

[1] For centers, the maximum number of children a provider may legally care for at one time (licensed capacity). For family homes, licensed capacity less provider's own children.

[2] Vacancy rate = vacancies/capacity.

Source: DSHS Research and Data Analysis
1994, 1996 and 1998 Surveys of Child Care Centers and Family Homes

Vacancies for Very Young Children

Prior to July 1999 single parents of infants under one year old were exempt from TANF regulations requiring participation in work-related activities. In July 1999 the exemption was reduced to the first three months of life. This change may increase the demand for licensed infant care.

At the time of the 1998 surveys, a total of 7,400 infants received licensed care (see Table 13). Only 34 percent of centers and 32 percent of family homes provided part-time or full-time infant care. Similarly, the proportion of facilities with infant vacancies was low. While 57 percent of all centers had vacancies, only 13 percent of centers had vacancies for infants (see Figure 8 earlier in this chapter). In family homes, 37 percent had vacancies and 22 percent had vacancies for children under two (see Figure 12 earlier in this chapter.)

Both numbers of licensed infant slots and the number of facilities with infant vacancies are low. If there had been a large unmet need for licensed care for infants, then the vacancy rate for infants should have been lower than for other age groups. The information in Table 13 indicates that the vacancy rate for very young children is not lower than the vacancy rates for children of other ages. The center vacancy rate for infants of 12.9% is slightly higher than the center vacancy rate for children overall (12 percent, see Table 12). The home vacancy rate of 17.3 for children under two is greater than that for children overall (14 percent, see Table 12).

Table 13. Vacancies for Very Young Children in Centers and Family Homes

	Number Served	Number of Vacancies	Estimated Vacancy Rate*
Centers			
Infants (under 1 year old)	4,250	630	12.9%
Toddlers (1 to under 2.5 years old)	17,910	2,270	11.2%
Licensed Family Homes			
Infants (under 1 year old)	3,150		
Children 1 to 2 years old	10,350		
Children under 2 years old	13,500	2,830	17.3%

* Vacancy rate is estimated by dividing the number of vacancies by the sum of the number of children served and the number of vacancies.

Source: DSHS Research and Data Analysis
1998 Surveys of Child Care Centers and Family Homes

While the demand for licensed care for infants was low in 1998, the capability of centers and homes to expand to care for more infants should demand increase also was limited. If half of all vacancies for children under two in family homes could be filled by infants, then we would estimate that the child care market in 1998 could absorb only 2,000 more infants (630+1,415). The recent change in TANF regulations may increase demand for licensed infant care well beyond that amount.

Age Differences of Children in Licensed Care

A child's age is a strong predictor of whether or not he or she is in licensed care. According to the child care surveys, approximately 170,200 children received licensed child care in the spring of 1998. The Office of Financial Management (OFM) estimated that there were about 1,106,400 children under 12 years old living in Washington State at that time. By combining the OFM data with the child care survey data we estimate that 15 percent of all children under age 12 were in licensed care in the spring of 1998 (170,200/1,106,400).

Table 14 combines OFM and child care survey data to make estimates of the percent of children of various ages that were in licensed care. Children of preschool age (between 2½ and 5) were much more likely to be in licensed care than children of other ages: approximately one out of every three preschoolers in Washington State attended a licensed home or child care center at the time of the child care survey. Preschoolers are a large component of the children in licensed care, comprising 39 percent of all children in licensed care. In contrast, while a slightly higher proportion of all children in licensed care are school-age (40 percent), only 10 percent of all school-age children between the ages of 5 and 13 are in licensed care. Infants are the age group least likely to be in licensed care: only 9 percent of infants are in licensed care.

Table 14. All Children in Washington State Compared to Children in Licensed Care

Age Group	OFM Estimate of Number in Age Group [1]	Percent of Children Under 13 in Age Group	Estimated Number of Children in Licensed Care [2]	Age Group as Percent of All Children in Licensed Care	Percent of Age Group in Licensed Care
Infants	80,300	7%	7,400	4%	9%
Toddlers	120,500	11%	28,300	17%	23%
Preschool	200,800	18%	66,900	39%	33%
School-age	704,900	64%	67,600	40%	10%
Total (<13)	1,106,400	100%	170,200	100%	15%

[1] Based on estimates of 1998 populations by OFM (Governor's Office of Financial Management).
[2] From 1998 Surveys of Child Care Centers and Family Homes.

A convenient statistic for comparing the availability of licensed care in different locales is a ratio of the number of licensed slots per 100 children. In 1998, about 1,106,400 children under the age of 13 lived in Washington State and the total licensed capacity of centers and homes was 166,000. So, there were 15 licensed slots in the state for every 100 children under 13 years old.

Among the DSHS regions, availability ranged from 13 slots per 100 children in Regions 5 and 6 to 17 slots per 100 children in Regions 1 and 4 (Table 15). Since 60 percent of children in licensed care are under five years old, a separate estimate was made of the proportion of licensed slots available for children under five. It was assumed that the proportion of slots available to children under five at a given home or child care center could be estimated by the proportion of children served who were under five years old. Using this strategy, it was estimated that Washington State has 25 licensed child care slots for every 100 children under five years old.

Availability varied widely among counties—from under seven slots per 100 children under 13 in Columbia, Ferry, Garfield, Pend Oreille, Skamania, and Stevens counties, to 20 or more slots per 100 children in Franklin, Spokane, and Whitman (see Table A3 and Figure B8 in the Appendices). Differences in availability among regions or counties can be attributed to many factors. Among them are differences in profitability, in the value parents placed on licensed child care, in the availability of safe alternatives to licensed care, and in the state's ability to recruit and license providers.

Table 15. Regional Variation in Availability of Child Care

Region	<-------- Children Under 13 --------> Children 0-12 [1]	Licensed Slots [2]	Slots per 100 Children	<-------- Children Under 5 --------> Children 0-4 [1]	Licensed Slots [2]	Slots per 100 Children
1	144,400	25,100	17	52,000	16,100	31
2	109,200	17,800	16	40,600	10,400	26
3	182,600	24,800	14	65,000	15,700	24
4	297,500	49,800	17	107,100	32,900	31
5	187,500	25,100	13	70,900	14,000	20
6	185,200	23,400	13	66,000	13,100	20
Total	1,106,400	166,000	15	401,500	102,200	25

[1] Based on estimates of 1998 populations by OFM (Governor's Office of Financial Management).

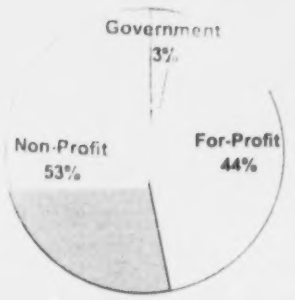
[2] From 1998 Surveys of Child Care Centers and Family Homes.

CHAPTER 4. PROVIDER BUSINESS TRAITS

Types of Centers

Providers identified their centers as either government operated, non-profit, or private for-profit (Figure 21). Fifty-three percent of all child care centers were non-profit organizations, 44 percent were private for-profit businesses, and the remaining three percent were government-run centers.

Figure 21. Types of Child Care Centers



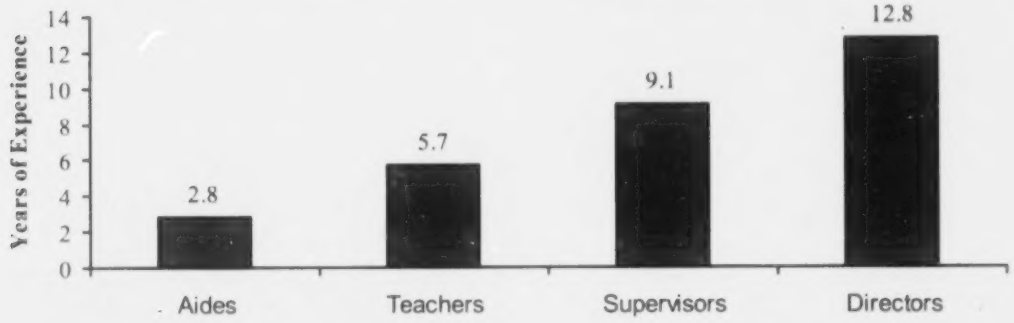
Source: DSHS Research and Data Analysis
1998 Survey of Child Care Centers

Staff Experience and Education

Years of Experience: Center Staff

Respondents at centers described the paid child care experience of their staff: aides, teachers, program supervisors, and directors. The experience of these workers in paid child care ranged from less than a year to over 50 years. Experience varied with the type of position. Aides had the least experience, 2.8 years, while directors averaged 12.8 years. Figure 22 shows the average number of years in paid child care employment for each position.

Figure 22. Average Paid Child Care Experience of Center Staff



Source: DSHS Research and Data Analysis
1998 Survey of Child Care Centers

Non-Paid Staff at Centers

All centers employed paid staff. Statewide, centers averaged 11 employees and some centers got additional help from volunteers. Volunteers were present at 36 percent of the centers surveyed.

As shown in Table 16, the use of volunteers varied considerably by type of center. Private centers were the least likely (29 percent) to use them, while 40 percent of non-profit and 73 percent of government-run centers used volunteers. The number of volunteers also varied by type of center. Among centers with at least one volunteer, private centers averaged 3.1 volunteers, non-profits 4.3, and government-operated centers averaged 8.1 volunteers.

Table 16. Percent of Centers Using Volunteers And Number of Volunteers by Center Type

Type of Centers	Using Volunteers	Number of Volunteers*
For-Profit	29%	3.1
Non-Profit	40%	4.3
Government	73%	8.1
All Centers	36%	4.1

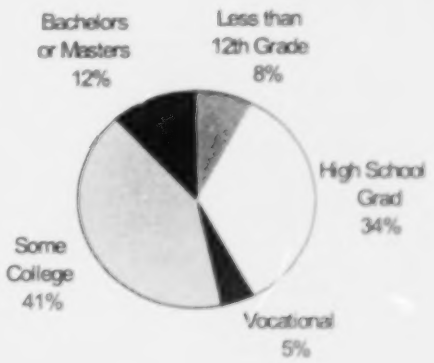
*Only calculated for centers using volunteers

Source: DSHS Research and Data Analysis
1998 Survey of Child Care Centers

Family Home Providers' Education and Training

Almost all licensed family home child care providers have completed high school (92 percent). Forty-six percent of home providers have some college credit or vocational training, and an additional twelve percent have a bachelors or more advanced degree (Figure 23).

Figure 23. Family Home Providers' Highest Level of Education

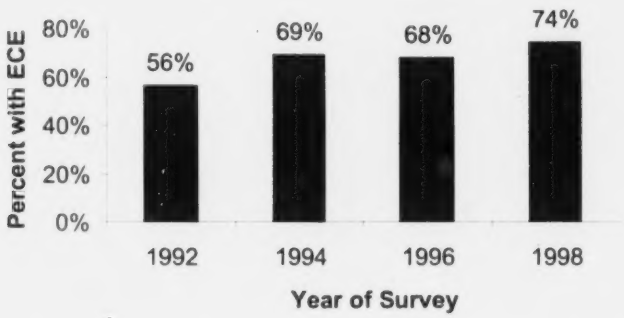


Source: DSHS Research and Data Analysis
1998 Survey of Family Homes

A majority of licensed child care providers have access to formal early childhood education (ECE) training through local colleges, referral agencies, or associations for child care professionals. Almost 75 percent of family home providers indicated that they had formal ECE training (see Figure 24).

Since 1992, the share of family home providers with formal ECE training has increased. In 1992, only 56 percent of family providers had formal ECE training. The percentage of providers with formal ECE training increased in the 1994 and 1996 surveys and rose to 74 percent in 1998 (see Figure 24).

Figure 24. Training in Early Childhood Education (ECE) of Family Home Providers: 1992-1998



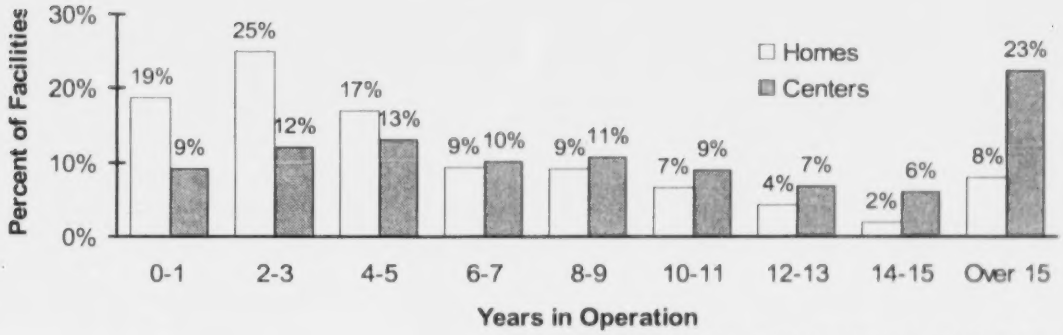
Source: DSHS Research and Data Analysis
1992, 1994, 1996, and 1998 Surveys of Family Homes

Years in Operation for Child Care Centers and Family Homes

On average family homes had been in operation for six years. When family home providers were asked how long they had been in operation, they reported from less than one year's experience to 41 years. Somewhat more than half of family homes (56 percent) had been in operation for four years or more. The percentages of family homes, by years of operation, are shown in Figure 25. More than 80 percent family home providers planned to operate their child care business for at least two more years. On average, they planned to run the service for six more years (Figure 26).

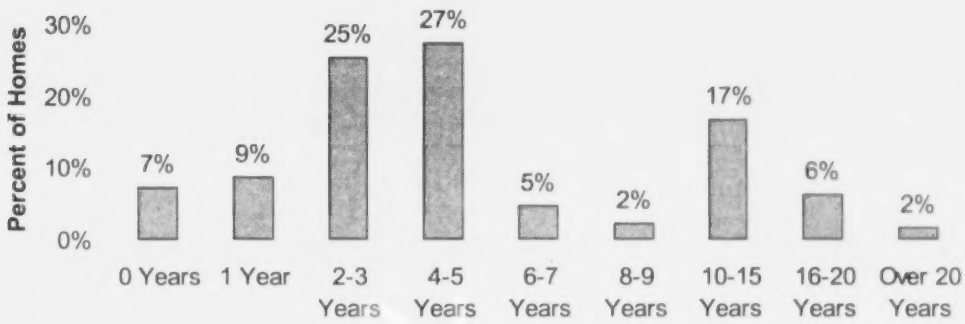
Centers, on the other hand, had been in operation for 10.4 years on average. Providers reported between 0 and 87 years of operation. Half of the centers had been in operation for eight years or more. Figure 25 also shows the percent of centers by years of operation.

Figure 25. Years in Business: Homes and Centers



Source: DSHS Research and Data Analysis
1998 Surveys of Child Care Centers and Family Homes

Figure 26. Years Plan to Operate Child Care at Home



Source: DSHS Research and Data Analysis
1998 Survey of Family Homes

Salaries and Benefits for Child Care Workers

Wages at Centers

The average wages or salaries of center staff—aides, teachers, supervisors, and directors—are shown in Table 17. Directors earned $1,925 per month on average. Of the remaining staff, supervisors earned the most at $9.48 per hour on average, followed by teachers at $7.73 per hour, and then by aides at $6.34 per hour. Centers in Region 4 (King County) offered the highest wages to employees. Some of the other regional differences were also statistically significant.

Table 17. Average Wages in Child Care Centers by Region

Region	Number of Centers	Aides*	Teachers*	Supervisors*	Directors*
1	275	$6.05	$7.00	$8.71	$1,749/mo.
2	167	$5.81	$6.91	$8.04	$1,799/mo.
3	262	$6.37	$7.48	$9.41	$1,972/mo.
4	576	$6.98	$8.53	$10.51	$2,210/mo.
5	295	$6.08	$7.18	$9.06	$1,797/mo.
6	265	$5.90	$7.20	$8.98	$1,674/mo.
Statewide	1840	$6.34	$7.73	$9.48	$1,925/mo.

*With 99% confidence, Region 4 had significantly higher wages than other regions in all categories. Some of the other regional differences also are statistically significant.

Source: DSHS Research and Data Analysis
998 Survey of Child Care Centers

Wages paid to center employees varied significantly by the type of center ownership—non-profit, government-run, or for-profit private. Wages paid at these three types of centers are shown in Table 18.

Table 18. Average Wages in Child Care Centers by Center Type

Type	Number of Centers	Aides*	Teachers*	Supervisors*	Directors*
Government	59	$7.16	$10.85	$12.04	$2,397/mo.
Non-Profit	974	$6.41	$7.81	$9.63	$1,941/mo.
Private For-Profit	807	$6.20	$7.54	$9.09	$1,895/mo.
Statewide	1840	$6.34	$7.73	$9.48	$1,925/mo.

*With 99% confidence, government centers paid significantly higher salaries in all categories.

Source: DSHS Research and Data Analysis
1998 Survey of Child Care Centers

Wages in Family Homes

Most family homes are one-person operations, but about 14 percent of homes employ at least one paid assistant. These assistants work an average of 29 hours per week. Their average hourly wage is $6.43, similar to the average wage of $6.34 earned by aides in centers (compare Tables 19 and 18). For information on wage trends for assistants in family homes, see the section on wage trends in family homes later in this chapter (Figure 28).

Table 19. Assistants' Wages in Licensed Homes

Region	Total Homes	Homes with Assistants	Average Wages*
1	1,219	148	$5.73
2	1,069	136	$5.99
3	1,273	164	$6.92
4	1,855	361	$7.27
5	1,084	149	$5.73
6	1,358	175	$5.72
Statewide	7,860	1,133	$6.43

*With 99.9% confidence, Region 4 wages were significantly higher than those in Regions 1, 2, 5, or 6.

Source: DSHS Research and Data Analysis
1998 Survey of Family Homes

Income of Family Homes

One-third of family home providers reported that child care earnings were their primary source of income. The net income of family home providers is what remains of their gross income after costs, but not enough data were collected to estimate operation costs. Half the family homes surveyed reported $17,000 or more in gross income from their child care business for 1997 (average gross income was $20,108). Annual earnings by region are shown in Table 20. The gross revenues for family home providers in King County (Region 4) were significantly higher than those in all other Regions except 5. Gross revenues for family home providers in eastern Washington (Regions 1 and 2) were generally lower than those in western Washington (Regions 3, 4, 5, and 6).

Table 20. Average Gross Annual Earnings in Family Homes, 1997

Region	Average Earnings*
1	$16,291
2	$17,714
3	$20,313
4	$24,154
5	$21,413
6	$18,426
Statewide	$20,108

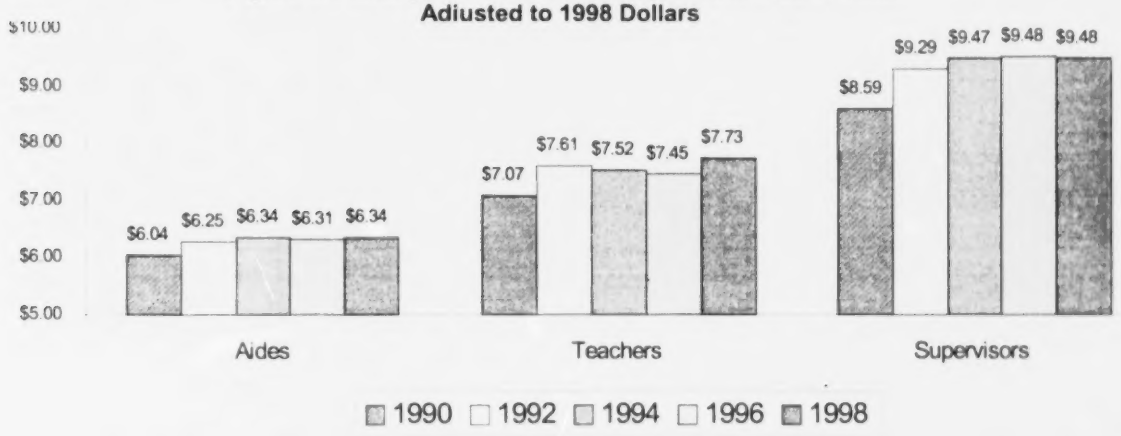
*With 95% confidence Region 4 earnings were significantly higher than those in Regions 1, 2, 3 and 6.

Source: DSHS Research and Data Analysis
1998 Survey of Family Homes

Wage Trends in Centers

Child care workers receive relatively low wages: center aides, teachers, and supervisors averaged $6.34, $7.73, and $9.48 per hour in 1998. At that time, average hourly wages were $10.80 in the wholesale-retail trades, $15.16 in manufacturing, and $20.20 in construction, and, in real terms, average hourly earning had risen in each of these three areas compared to the previous year (*1998 Washington State Labor Market and Economic Report*, Washington State Employment Security Department, Labor Market and Economic Analysis Branch, 1998). This rise was not seen among child care workers. As shown in Figure 27, average real wages for child care workers—wages adjusted to account for changes in the consumer price index—have stalled since 1992.

Figure 27. Changes in Child Care Wages from 1990 to 1998
Adjusted to 1998 Dollars



Source: DSHS Research and Data Analysis
1992, 1994, 1996, and 1998 Surveys of Child Care Centers

Wage Trends in Family Homes

The wages of assistants in family homes show a somewhat different trend than that for wages of child care workers in centers between 1992 and 1998 (wage rates for assistants in family homes were not available from the 1990 survey). While the wages of center child care workers have remained stable (in constant dollars) since 1992, the wages paid assistants in family homes (again in constant dollars) rose slightly from $5.77 in 1992 to $6.05 in 1994, stagnated at the same level in 1996 ($6.10), and then rose in 1998 to $6.43 (see Figure 28). The increase since 1992, from $5.77 to $6.43, represents an average real increase in wages of almost 2 percent per year. Between 1996 and 1998, the annual increase in assistants' wages was 2.7 percent per year. In the same period, the wages for aides in centers remained stagnant. Indeed the average hourly wage paid in 1998 to assistants in family homes ($6.43) was greater than that paid to aides in child care centers ($6.34). The rise in gross earnings for family homes has been even higher (see Figure 29). Gross earnings for family homes rose at an annual rate of 5 percent from 1996 to 1998.

Figure 28. Average Wage Paid Assistants in Family Homes from 1992 to 1998 Adjusted to 1998 Dollars

Source: DSHS Research and Data Analysis
1992, 1994, 1996, and 1998 Surveys of Family Homes

Figure 29. Average Gross Earnings in Family Homes from 1991 to 1997 Adjusted to 1997 Dollars

Source: DSHS Research and Data Analysis
1992, 1994, 1996, and 1998 Surveys of Family Homes

Employee Benefits at Centers

Statewide, 80 percent of centers provided some non-wage benefits to their employees. The percents of centers providing benefits—sick leave, vacation, or health insurance—are shown in Table 21. Centers in Region 4 were the most likely to offer benefits. Centers in Regions 1, 2, and 5 were generally less likely to provide benefits to their employees than centers in other Regions.

Table 21. Centers Providing Benefits by Benefit Type and Region

Region	Total Number of Centers	Any Benefit*	Paid Sick Leave*	Paid Vacation*	Medical Insurance*
1	275	71%	55%	61%	36%
2	166	77%	59%	61%	48%
3	261	80%	68%	71%	54%
4	973	89%	81%	84%	69%
5	294	76%	60%	69%	42%
6	266	81%	66%	77%	61%
Statewide	1,840	81%	68%	73%	55%

*With 99.9% confidence, significant difference between regions for all benefit categories.

Source: DSHS Research and Data Analysis
1998 Survey of Child Care Centers

The differences in percentage of centers providing benefits are striking when comparing government-run, non-profit, and private centers (Table 22). It is especially noticeable with regard to health insurance and paid sick leave. Government-run centers are almost twice as like to offer those benefits when compared to private centers. Non-profit centers fall between those two extremes.

Table 22. Centers Providing Benefits by Center Type

Center Type	Total Number of Centers	Any Benefit*	Paid Sick Leave*	Paid Vacation	Medical Insurance*
Government	59	97%	97%	76%	78%
Non-Profit	974	83%	75%	74%	62%
Private For-Profit	807	76%	56%	71%	43%
Statewide	1840	81%	68%	73%	55%

* With 99.9% confidence, significant difference between types of centers.

Source: DSHS Research and Data Analysis
1998 Survey of Child Care Centers

Since 1990, when centers were first surveyed about employee wages and benefits, centers have become more likely to provide benefits beyond a base salary. Table 23 on the right shows how the percentages of centers offering benefits have changed over time.

Table 23. Increase in Employee Benefits Child Care Centers, 1990-1998

	Paid Sick Leave	Paid Vacation	Health Insurance
1990	56%	63%	45%
1992	61%	69%	51%
1994	60%	70%	56%
1996	62%	70%	53%
1998	68%	73%	55%

Source: DSHS Research and Data Analysis
1990, 1992, 1994, 1996 and 1998 Surveys of Child Care Centers

The level of wages and benefits offered by centers are related. Centers that provide benefits are likely to also pay higher wages. Table 24 shows that wages at centers that provide health insurance are higher than the wages paid by centers that do not provide medical coverage. This relationship remains strong even when controlling for the association between region and both the provision of medical benefits and high wages.

Table 24. Health Insurance and Higher Wages in Centers, 1998

Staff Position	Wages with Health Insurance*	Wages Without Health Insurance*	Wages With Any Benefits*	Wages Without Any Benefits*
Aides	$ 6.58/hr.	$ 5.96/hr.	$ 6.40/hr.	$ 6.02/hr.
Teachers	$ 8.15/hr.	$ 7.07/hr.	$ 7.91/hr.	$ 6.61/hr.
Supervisors	$10.02/hr.	$ 8.69/hr.	$ 9.69/hr.	$ 8.47/hr.
Directors	$2,100/mo.	$1,705/mo.	$2,000/mo.	$1,552/mo.

* With 98% confidence difference wages differ significantly with or without benefit.

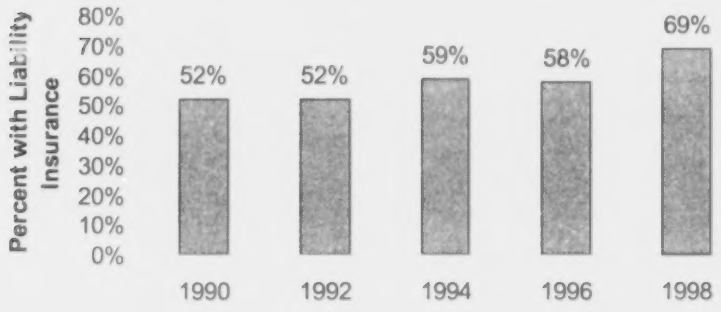
Source: DSHS Research and Data Analysis
1998 Survey of Child Care Centers

Business Expenses in Centers and Homes

Liability Insurance in Centers and Homes

Liability insurance is an important issue in operating a child care service in Washington State. In the 1998 surveys, most centers (93 percent) and almost 70 percent of homes reported having liability insurance for their business. While most centers have had liability insurance in recent years, an increasing number of family home providers are carrying liability insurance (see Figure 30). Almost 60 percent of family home providers who do not have liability insurance feel that they need it, and three-quarters of those who feel that they need it cite cost as why they do not carry it (data not displayed).

Figure 30. Percent of Family Homes with Liability Insurance, 1990 to 1998



Source: DSHS Research and Data Analysis
1990, 1992, 1994, 1996 and 1998 Surveys of Child Care Centers and Family Homes

The average annual cost-per-child of liability insurance for centers and homes is reported in Figure 31 by region. Figure 32 displays how the cost of liability insurance has decreased in recent years.

Figure 31. Average Annual Cost of Liability Insurance per Child In Centers and Family Homes by DSHS Regions

Source: DSHS Research and Data Analysis
1998 Surveys of Child Care Centers and Family Homes

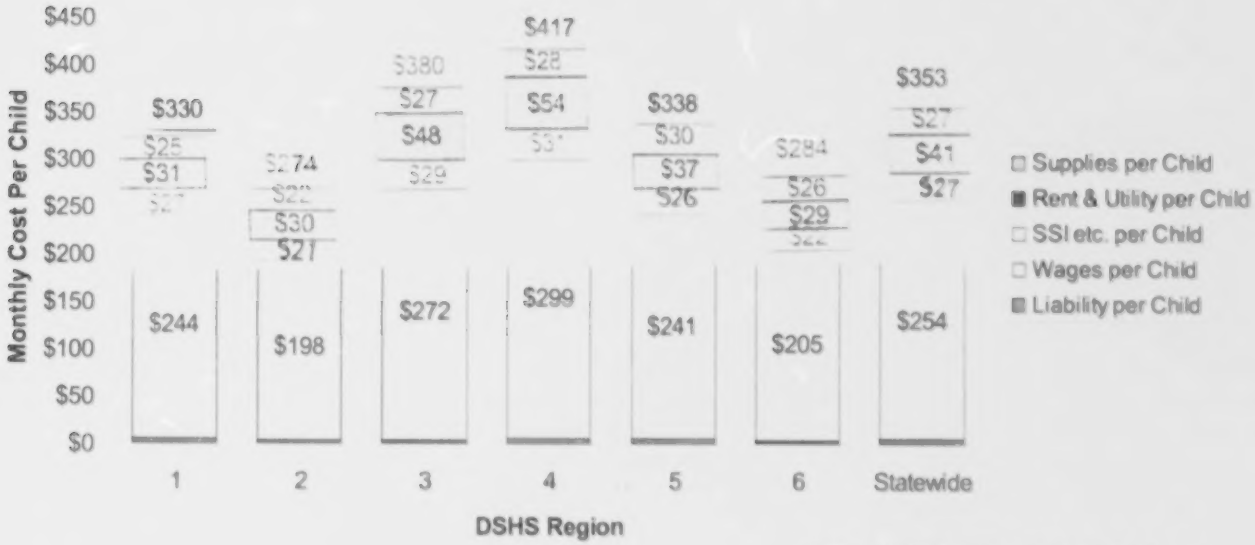
Figure 32. Changing Cost of Liability Insurance per Child Adjusted for Inflation

Source: DSHS Research and Data Analysis
1990, 1992, 1994, 1996 and 1998 Surveys of Child Care Centers and Family Homes

Estimated Monthly Costs per Child in Centers

The 1998 center survey asked about several specific costs of doing business. Figure 33 presents the responses for those costs. The totals assume that all hourly center employees worked full-time (40 hours per week). In this analysis employee wages accounted for most of the costs per child. In addition to the hourly wage, social security employer contributions and workman's compensation were estimated. The wages of non-instructional staff (bookkeepers, cooks, janitors, etc.) were not estimated. In addition, while centers were asked about their monthly cost of supplies, rent and utilities, they were not asked about costs such as facility maintenance, equipment purchases, and health benefits.

Figure 33. Average Monthly Costs Per Child in Child Care Centers



Source: DSHS Research and Data Analysis
1998 Survey of Child Care Centers

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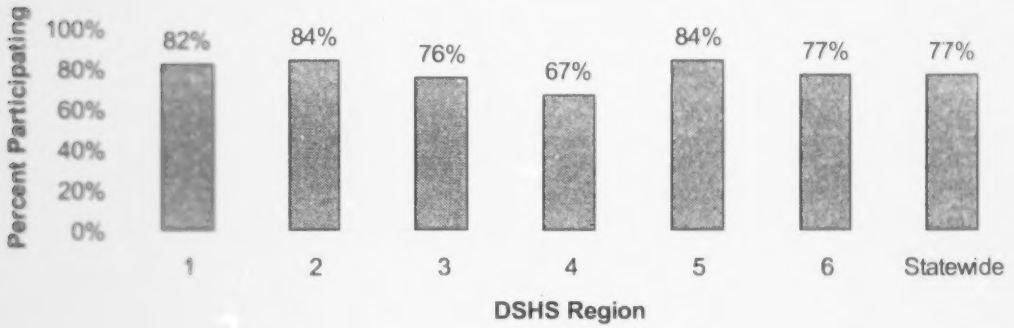
Participation of Family Homes in USDA Food Program

The Child and Adult Care Food Program (CACFP) of the Department of Agriculture reimburses participating centers and family homes for their meal costs. The 1998 Survey of Family Homes asked about participation in the USDA food program, a question not asked in earlier surveys. The participation of family home providers in the USDA food program is high: over three-quarters of all family homes participate. Figure 34 shows the percent of family homes participating by DSHS Region. The level of participation varies by DSHS Region, with Region 4 (King County) having a significantly lower participation rate than all other regions besides Region 3.

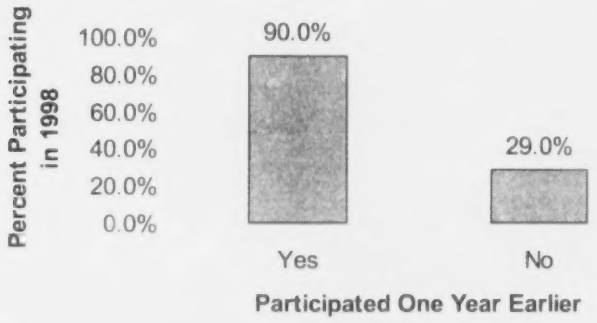
Figure 34. Participation of Family Homes in USDA Food Program



Source: DSHS Research and Data Analysis
1998 Survey of Family Home Providers

In July of 1997 the meal reimbursement rate was changed to a two-tier system. Family home providers located in low income areas, or whose own households are low-income, are reimbursed at a higher rate than other providers. It was thought that this change might cause a drop in program participation. Figure 35 shows the rate of program participation in the spring of 1998 compared to their participation one year earlier before the change in the reimbursement system. This question was only analyzed for family homes that had been in business for at least one year. Of the family homes that participated in the USDA food program before the reimbursement change, 90 percent have continued to participate in the program. Only 10 percent dropped out of the program. For those homes not participating in the previous year, 29 percent had enrolled by the time of the survey in the spring of 1998. What we cannot address is whether the change in the USDA food program may have affected the decision of some family home providers to remain in business.

Figure 35. Participation of Family Home Providers in USDA Food Program in Spring 1998 Compared to One Year Earlier

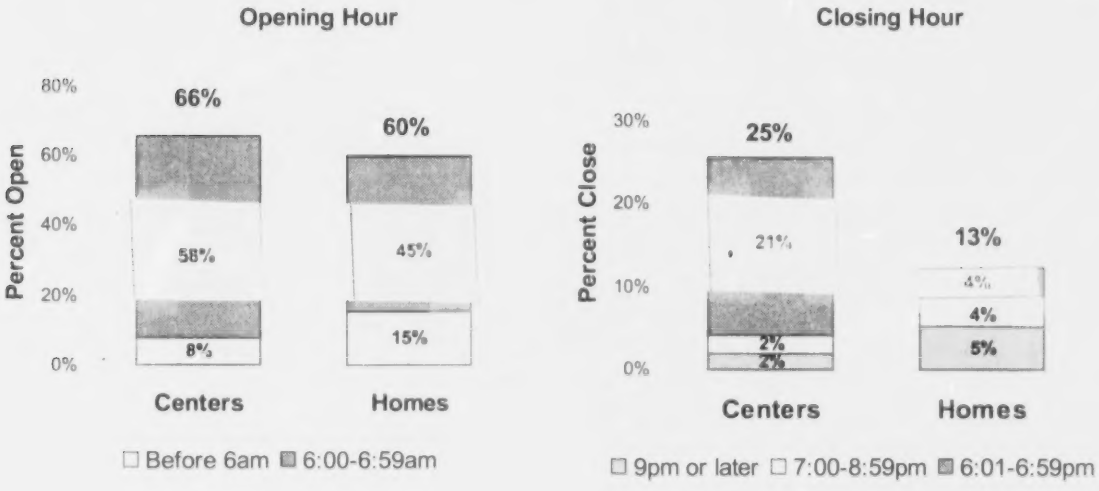


Source: DSHS Research and Data Analysis
1998 Survey of Family Home Providers

Hours of Operation

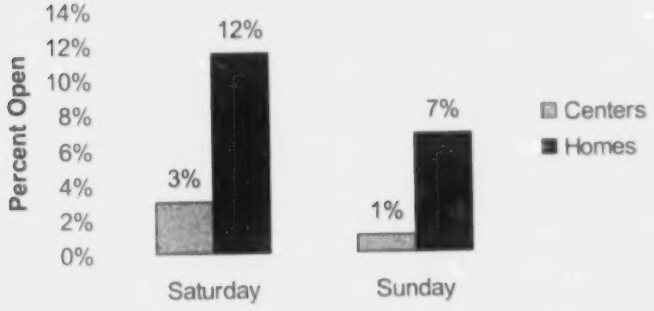
Few licensed child care facilities are open outside of the standard weekday hours, six in the morning to six at night. Only 8 percent of centers and 15 percent of homes opened before six in the morning. Similarly, only 4 percent of centers and 9 percent of homes were still open at seven in the evening. On the weekends only 3 percent of centers and 12 percent of homes are open. Figure 36 shows the weekday opening and closing hours for centers and homes. Figure 37 displays the percent of centers and homes open on Saturday and Sunday.

Figure 36. Hours of Operation, Monday through Friday, Centers and Homes



Source: DSHS Research and Data Analysis
1998 Survey of Child Care Centers and Family Home Providers

Figure 37. Licensed Facilities with Weekend Hours



Source: DSHS Research and Data Analysis
1998 Surveys of Child Care Centers and Family Homes

59

CHAPTER 5. CHILD CARE RATES

Market Rates and Subsidy Schedules

The biennial child care surveys provide information on the rates charged for child care in Washington State, both for private pay and DSHS-subsidized children. Many factors influence the rates that providers charge for child care. Those factors include:

- Child's age (for example, providers usually charge more for infants than for toddlers or preschool-age children)
- Type of facility (centers tend to charge higher rates than licensed family homes)
- Length of time in care (providers generally charge less per hour for children in full-time care than for those in part-time care)
- Geographic location (providers in metropolitan areas tend to charge more than providers in rural areas).

The biennial surveys are used to identify the full-time rates charged children in different age categories, facilities, and geographic locations. Based on these market surveys, DSHS then determines the percentile of the market at which it can afford to buy. If, for example, DSHS sets its rates at the 75th percentile, then for each age/facility/geographic category the DSHS rate will be at or above the rate paid for 75 percent of children in that age/facility/geographic category. DSHS maximum subsidy rates thus take into account economic variations in the child care market. By doing so, DSHS hopes to permit equal access to the child care market for subsidy clients across the state.

Prior to December 1995, DSHS developed regional rate clusters using the child care survey data. These rate clusters proved to be unstable, needing re-definition with each survey. The six DSHS Administrative Regions, therefore, were selected as the permanent geographical basis for setting child care rates. The DSHS Regions are stable, well recognized, and permit reasonable estimates of local market rates.

DSHS maximum rates represent the most that the Department will pay to a provider for a given rate category. DSHS pays providers either their usual and customary rate, or the DSHS maximum rate, whichever is less.

Prior to federal welfare reform legislation, DSHS set its rates at the 75th percentile, in accordance with federal regulations. In 1996, the Personal Responsibility and Work Opportunity Reconciliation Act rescinded the requirement that maximum rates be set at the 75th percentile. After that, each state could set child care subsidy rates in accordance with its own budget.

When maximum subsidy rates were re-set based on the 1996 market surveys, funding was only sufficient to set rates at the 59th percentile, except that no infant rates were lowered. These rates went into effect in November 1997.

In September 1998, additional funding permitted an increase to the 74th percentile of the 1996 survey. At that time, DSHS also changed the minimum number of hours required to receive full-day rates from six hours to five hours a day.

Until recently, children who required less than 65 hours of care in a month were paid at an hourly rate. DSHS set maximum hourly rates based on what providers charged for part-time care. In February 1999, DSHS eliminated hourly rates for part-time care and all part-time care (less than five hours a day) was paid on a half-day basis.

Thus at this time, all maximum DSHS subsidy rates are based on the full-time rates reported in the provider surveys.

Rates According to the 1998 Survey

The monthly rates observed in the 1998 surveys for full-time children are displayed in Tables 25 and 26. As of November 1999, the DSHS maximum rates will be based on the 71st percentile of the 1998 surveys. Any rate categories that would decline compared to the September 1998 rates will be left at the old rates. Full-time monthly rates can be converted into daily rates by dividing by 22. Part-time rates are based on these daily rates, with a full-day defined as five or more hours. Care for less than five hours a day is paid at one-half the full-time rate.

The following two tables display the observed rates for the 10th, 25th, 50th, 75th, and 90th percentiles for full-time care in child care centers and licensed family homes. The rates are calculated for each age category in the six DSHS Regions. Percentile rates are the rates at which a specified percentage (5, 10, 25, 50, etc.) of children in the given age/region category receive care at or below the stated rate at the time of the 1998 surveys. For example, 75 percent of full-time infants in Region 1 child care centers were charged $506 per month or less for their care in the spring of 1998.

Table 25. Monthly Full-Time[1] Rates in Child Care Centers
(DSHS Maximum Rates as of November 1999 Are in Bold)

Infant: Under 12 Months Old

Percentile[2]	Region-1	Region-2	Region-3	Region-4	Region-5	Region-6
10th	$ 280	$ 360	$ 480	$ 612	$ 440	$ 400
25th	$ 405	$ 400	$ 572	$ 682	$ 498	$ 482
50th	$ 450	$ 440	$ 625	$ 735	$ 525	$ 520
75th	$ 506	$ 510	$ 673	$ 840	$ 580	$ 594
90th	$ 590	$ 629	$ 688	$ 935	$ 620	$ 664
New DSHS Rates[3]	**$ 500**	**$ 510**	**$ 664**	**$ 832**	**$ 568**	**$ 563**

Toddler: 12 to 29 Months Old

Percentile[2]	Region-1	Region-2	Region-3	Region-4	Region-5	Region-6
10th	$ 297	$ 340	$ 409	$ 497	$ 360	$ 360
25th	$ 350	$ 370	$ 460	$ 550	$ 395	$ 400
50th	$ 396	$ 450	$ 516	$ 612	$ 447	$ 441
75th	$ 440	$ 450	$ 576	$ 675	$ 500	$ 505
90th	$ 500	$ 510	$ 620	$ 795	$ 532	$ 572
New DSHS Rates[3]	**$ 437**	**$ 450**	**$ 572**	**$ 650**	**$ 488**	**$ 500**

Preschooler: 30 to 59 Months Old

Percentile[2]	Region-1	Region-2	Region-3	Region-4	Region-5	Region-6
10th	$ 306	$ 300	$ 368	$ 430	$ 340	$ 315
25th	$ 330	$ 310	$ 400	$ 471	$ 370	$ 352
50th	$ 368	$ 340	$ 450	$ 519	$ 398	$ 385
75th	$ 400	$ 400	$ 495	$ 590	$ 432	$ 450
90th	$ 429	$ 458	$ 528	$ 675	$ 462	$ 488
New DSHS Rates[3]	**$ 396**	**$ 391**	**$ 484**	**$ 575**	**$ 428**	**$ 440**

School-age: Five Years and Older

Percentile[2]	Region-1	Region-2	Region-3	Region-4	Region-5	Region-6
10th	$ 185	$ 191	$ 245	$ 298	$ 265	$ 260
25th	$ 264	$ 200	$ 276	$ 365	$ 291	$ 315
50th	$ 330	$ 300	$ 325	$ 442	$ 355	$ 368
75th	$ 380	$ 391	$ 460	$ 524	$ 385	$ 440
90th	$ 440	$ 471	$ 493	$ 600	$ 440	$ 463
New DSHS Rates[3]	**$ 367**	**$ 370**	**$ 435**	**$ 515**	**$ 385**	**$ 440**

(1) Full-time rates are for thirty or more hours per week. For daily rates, divide by 22.

(2) Percentile: The percent of children in child centers at or below the rate shown for that age category and Region.

(3) DSHS Rates: DSHS rates to become effective November 1999 (rounded to the nearest dollar). They are based on the 71st Percentile of the 1998 Survey of Child Care Centers, with no decreases from previous rates.

Source: DSHS Research and Data Analysis
1998 Survey of Child Care Centers

Table 26. Monthly Full-Time[1] Rates in Licensed Family Homes
(DSHS Maximum Rates as of November 1999 Are in Bold)

Infant: Under 12 Months Old

Percentile[2]	Region-1	Region-2	Region-3	Region-4	Region-5	Region-6
10th	$ 275	$ 308	$ 361	$ 495	$ 308	$ 326
25th	$ 330	$ 330	$ 396	$ 528	$ 374	$ 374
50th	$ 363	$ 363	$ 495	$ 572	$ 440	$ 440
75th	$ 440	$ 422	$ 550	$ 660	$ 468	$ 484
90th	$ 495	$ 440	$ 550	$ 743	$ 550	$ 550
New DSHS Rates [3]	**$ 418**	**$ 396**	**$ 616**	**$ 660**	**$ 462**	**$ 451**

Toddler: 12 to 29 Months Old

Percentile[2]	Region-1	Region-2	Region-3	Region-4	Region-5	Region-6
10th	$ 280	$ 286	$ 352	$ 418	$ 308	$ 308
25th	$ 314	$ 308	$ 396	$ 481	$ 352	$ 352
50th	$ 352	$ 330	$ 440	$ 550	$ 396	$ 396
75th	$ 396	$ 396	$ 528	$ 605	$ 495	$ 440
90th	$ 440	$ 440	$ 550	$ 688	$ 598	$ 523
New DSHS Rates [3]	**$ 387**	**$ 396**	**$ 528**	**$ 600**	**$ 440**	**$ 440**

Preschooler: 30 to 59 Months Old

Percentile[2]	Region-1	Region-2	Region-3	Region-4	Region-5	Region-6
10th	$ 286	$ 264	$ 330	$ 374	$ 297	$ 277
25th	$ 308	$ 308	$ 374	$ 440	$ 336	$ 330
50th	$ 330	$ 330	$ 440	$ 500	$ 374	$ 374
75th	$ 374	$ 352	$ 484	$ 550	$ 440	$ 429
90th	$ 406	$ 385	$ 550	$ 633	$ 526	$ 481
New DSHS Rates [3]	**$ 374**	**$ 352**	**$ 484**	**$ 550**	**$ 418**	**$ 396**

School-age: Five Years and Older

Percentile[2]	Region-1	Region-2	Region-3	Region-4	Region-5	Region-6
10th	$ 220	$ 220	$ 317	$ 286	$ 220	$ 220
25th	$ 286	$ 264	$ 330	$ 383	$ 286	$ 290
50th	$ 308	$ 314	$ 400	$ 440	$ 330	$ 330
75th	$ 352	$ 352	$ 440	$ 506	$ 374	$ 375
90th	$ 440	$ 396	$ 495	$ 550	$ 418	$ 440
New DSHS Rates [3]	**$ 330**	**$ 330**	**$ 440**	**$ 495**	**$ 374**	**$ 374**

[1] Full-time rates are for thirty or more hours per week. For daily rates, divide by 22.

[2] Percentile: The percent of children in licensed family homes at or below the rate shown for that age category and Region.

[3] DSHS Rates: DSHS rates to become effective November 1999 (rounded to the nearest dollar). They are based on the 71st Percentile of the 1998 Survey of Family Home Providers, with no decreases from previous rates.

Source: DSHS Research and Data Analysis
1998 Survey of Family Home Providers

Factors Associated with the Price of Child Care

Many factors affect the market price of child care. We have already seen that the price of child care is strongly related to the age of the child, the time in care, the geographic location of the facility, and the type of care (center versus family home provider). In this section we are interested in identifying other factors associated with the price of child care such as profit status, teachers' wages, and benefits. In order to control for variation in rates based on the child's age and time in care, this analysis focuses on full-time preschool rates. This is the largest population of children in licensed care and the results reflect trends for the entire child care population. This analysis also controls for the strong influence of geographic location on child care rates.

Geographic region is a strong predictor of preschool child care rates. Table 27 displays the large difference in the average amount charged per child in three major geographic areas of Washington State for child care centers and licensed family home providers.

Table 27. Geographic Variation in Average Monthly Cost for Full-Time Preschool

	Average Price of Full-Time Preschool	
Geographic Area	**Centers***	**Family Homes***
King County (DSHS Region 4)	**$ 545**	**$ 504**
Western Washington excluding King County (DSHS Regions 3, 5, 6)	**$ 423**	**$ 401**
Eastern Washington (DSHS Regions 1, 2)	**$ 358**	**$ 334**

*With more than 99% confidence these areas are significantly different from each other in the average price charged for full-time preschool.

Source: DSHS Research and Data Analysis
1998 Surveys of Child Care Centers and Family Homes

As we saw in the previous chapter, centers in Region 4 were also more likely to pay their teachers more, provide health insurance, and make higher rent and liability payments. These regional differences help explain the higher cost charged in Region 4; since centers in King County provide health insurance and pay teachers more (perhaps a necessity in King County in order to attract and retain employees), centers charge higher rates. Because of the geographic differences in child care rates, we looked at the effect of other factors after taking geographic location into account. The results are displayed in Table 28.

Centers: Health Insurance. Providing health insurance is an additional cost for child care centers. This analysis suggests that centers pass along this cost to parents. On average, centers providing this benefit to employees charge an additional $38 per month for full-time preschool care.

Centers: Business Type. The sort of business a center is also affects its rates. Compared to non-profit centers, for-profit centers charge an additional $34 a month. Non-profits may be able to charge less than for-profits in part because they are more likely to receive gifts, pay subsidized rents, pay lower taxes, and get other support. In contrast, government centers charge considerably less than even non-profit centers.

Centers: DSHS Subsidized Children. Centers with few children subsidized by DSHS (less than 5 percent) charge an average $34 more per month than other centers. Some higher priced providers will not accept subsidized children because DSHS will not pay their full rates.

Family Homes: College Educated Providers. Family home providers with at least some college education charge on average almost $50 more per month for preschoolers in full-time care. Those providers may be in relatively more affluent neighborhoods or they may offer enriched services for the children in their care.

Table 28. Predictors of Average Full-Time Preschool Rates After Accounting for Major Geographic Differences in Rates

	Average Additional Charge Per Child (taking geographic region into account)
Centers	
Compared to Centers not Providing Health Insurance:	
Centers Providing Heath Insurance	**$ 38**
Compared to Non-Profit Centers:	
For-Profit Centers	**$ 34**
Government Centers	**$ - 44**
Compared to Centers with at Least 5% DSHS-Subsidized Children:	
Centers with Less Than 5 % DSHS	**$ 34**
Family Homes	
Compared to Providers with no College Education:	
Providers with Some College	**$ 48**

Source: DSHS Research and Data Analysis
1998 Surveys of Child Care Centers and Family Homes

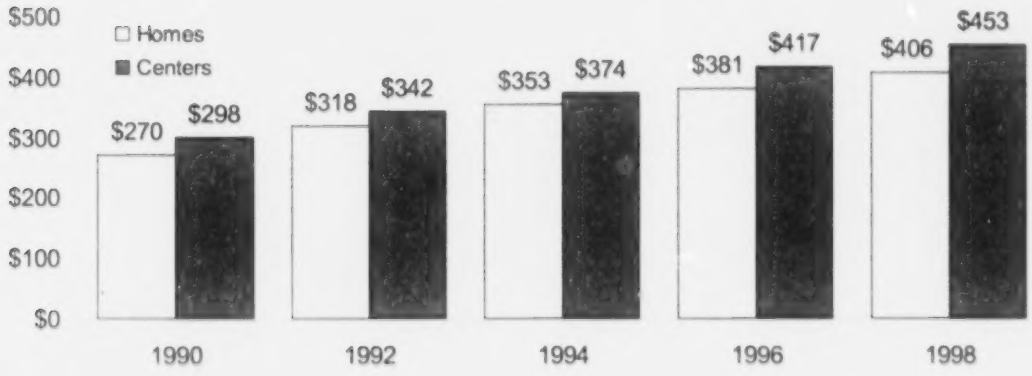
Child Care Price Increases

This section examines how the price of child care has changed over the past eight years. Only children in full-time care are included, and the comparison assumes that the mix of ages of children has remained stable over time.

Figure 38 shows the monthly average prices for full-time care for children of all ages in child care centers and licensed family homes as estimated from the 1990, 1992, 1994, 1996, and 1998 rate surveys. From 1990 to 1998, the statewide average monthly price paid for full-time care in a child care center increased 52 percent from $298 to $453. For full-time care in licensed family homes the average monthly price increased 50 percent from $270 to $406.

About half of this price increase is due to inflation and does not represent a "real" increase in the cost of child care. While the price of child care centers increased 52 percent from 1990 to 1998, inflation as measured by the US Consumer Price Index rose 25 percent during that same time period. Figure 39 shows average prices for full-time licensed child care from 1990 to 1998 after adjusting for inflation. Over the period 1990 to 1998, the inflation-adjusted cost of care increased 22 percent in centers and 20.5 percent in homes. In the past two years (1996 to 1998), the real price of full-time family home care climbed by three percent (from $396 to $406) and that of centers went up four percent (from $433 to $453).

Figure 38. Nominal Average Monthly Prices* for All Children in Full-Time Licensed Child Care: 1990-1998



*Child weighted averages for full-time care.

Source: DSHS Research and Data Analysis
1990, 1992, 1994, 1996 and 1998 Surveys of Child Care Centers and Family Homes

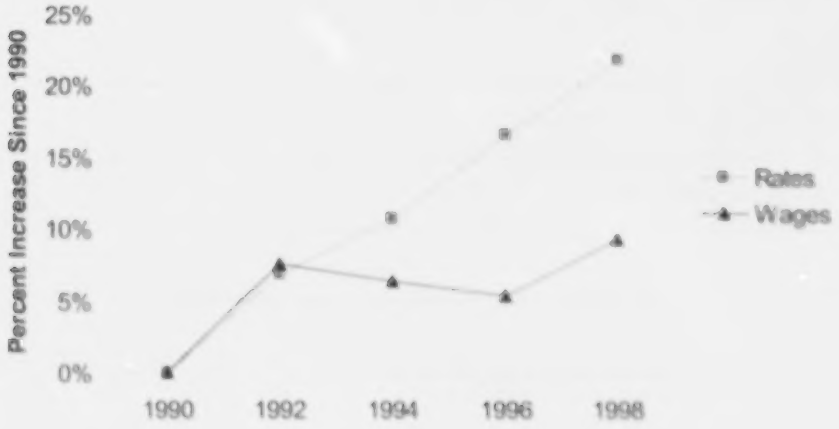
Figure 39. Average Monthly Prices* for All Children in Full-Time Licensed Child Care: 1990-1998, Adjusted for Inflation

*Child weighted averages for full-time care.

Source: DSHS Research and Data Analysis
1990, 1992, 1994, 1996 and 1998 Surveys of Child Care Centers and Family Homes

Since 1990 the average child care rates charged by centers have increased 22 percent, adjusted for inflation. During the same period, the average real wages for teachers in centers increased by only 9 percent. Figure 40 displays the percentage increase in full-time rates and teachers wages over the last eight years. Although wages and associated taxes and benefits constitute a major portion of center costs, the rise in teachers' wages in the past eight years has been much less than the rise in child care rates.

Figure 40. Percent Increase in Center Child Care Rates and Teachers' Wages, 1990 to 1998 (Adjusted for Inflation, with 1990 as Base Year)



Source: DSHS Research and Data Analysis
1990, 1992, 1994, 1996 and 1998 Surveys of Child Care Centers

CHAPTER 6. DSHS-SUBSIDIZED CHILDREN

Where Subsidized Children Received Care

An estimated 54,500 children per month received subsidized care in 1998 (Social Service Payment System, unpublished). Child care was subsidized for 104,500 children over the course of federal fiscal year 1998 (Federal Report ACF-800), almost twice the monthly number of children. Those children received care in a variety of ways, either through licensed centers and family homes, or through unregulated but legal providers.

The surveys of child care centers and homes were conducted in April and May of 1998. According to DSHS records, about 53,500 children received subsidized care at that time. Approximately 35 percent of all subsidized children receive unregulated care, namely care provided in the child's home or at the home of a relative. The remaining 65 percent, or 34,800 children, received care at child care centers or licensed family homes.

Using data from the 1998 surveys of child care centers and licensed family homes, we estimated that 32,400 children received subsidized child care in either a licensed family home or child care center in April and May of 1998. This is somewhat low compared to DSHS payment data. The discrepancy likely derives both from sampling error and because providers were restricted to describing enrollment for a single week.

Licensed family home providers reported caring for 10,900 DSHS-subsidized children, representing 20 percent of all children in family-home child care (Table 29). Child care centers cared for about 21,500 DSHS-subsidized children, which is 18 percent of all children in centers. DSHS children were widely spread over 85 percent of centers and 49 percent of family homes (Table 29).

Table 29. DSHS Children in Centers and Family Homes

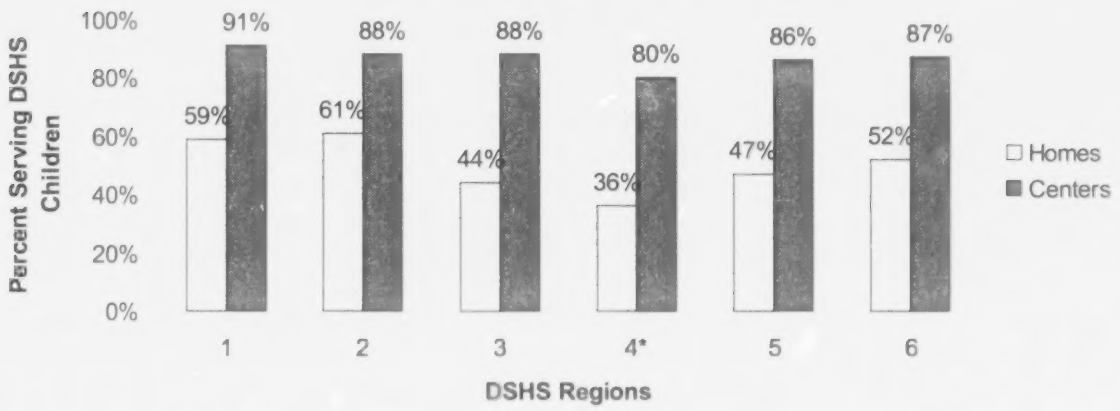
DSHS Children	Centers	Family Homes	All Licensed Facilities
Estimated Total	21,500	10,900	32,400
As Percent of All Children	18%	20%	19%
Number of Facilities			
With DSHS Children	1,570	3,810	5,380
As Percent of All Facilities	85%	49%	55%

Source: DSHS Research and Data Analysis
1998 Surveys of Child Care Centers and Family Homes

Regional Variation

The proportion of licensed facilities serving DSHS-subsidized children varied across the state (Figure 41). The proportion of centers serving subsidized children was significantly less in Region 4 than in most other regions (the difference between Region 4 and Region 5 was not significant). Family home providers were less likely than centers to care for subsidized children. Statewide, only 49 percent of family home providers cared for subsidized children, compared to 85 percent of centers. In Region 4, significantly fewer homes reported caring for subsidized children than in all other regions except Region 3 (Figure 41).

Figure 41. Facilities Serving DSHS-Subsidized Children



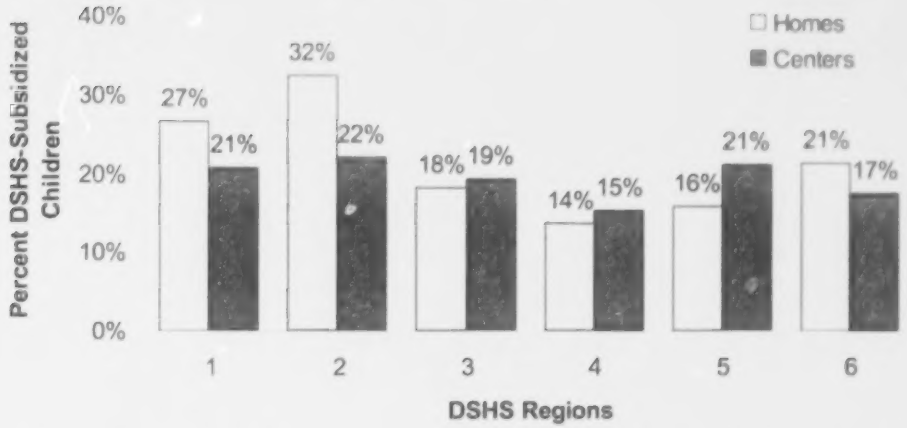
*Region 4 is significantly different from other regions.

Source: DSHS Research and Data Analysis
1998 Surveys of Child Care Centers and Family Homes

Much of the dramatic difference in the proportion of centers serving DSHS children compared to family homes is attributable to the smaller size of family homes. As Figure 42 demonstrates, the proportion of children in family homes that are subsidized by DSHS is generally as high or higher than the proportion in centers that are DSHS subsidized. However, since family homes serve less than seven children on average, we would expect a smaller percentage of family homes to serve subsidized children than the much larger child care centers with an average capacity of about sixty children. Among centers serving DSHS-subsidized children, such children represented about 21 percent of the center population, whereas, subsidized children accounted for 38 percent of all children in family homes that served DSHS-subsidized children.

Figure 42 displays the proportion of the licensed child care population that were subsidized by DSHS by region. In Regions 1 and 2, subsidized children represented about 30 percent of the family home population, a substantial increase from 1996 (20 percent for Region 1 and 17 percent for Region 2).

Figure 42. DSHS-Subsidized Children as Percent of All Children in Licensed Facilities



Source: DSHS Research and Data Analysis
1998 Surveys of Child Care Centers and Family Homes

Neighborhood Poverty and Proportion of Children Subsidized by DSHS

The regional variation in the percent of children subsidized by DSHS is related to the proportion of children living in poverty. As shown in Figure 42, Region 2 had the highest proportion of children in care subsidized by DSHS (32 percent of children in homes and 22 percent of children in centers). Region 2 also had the highest proportion of children under five living in families with incomes below the poverty level: 21 percent. By contrast, Region 4 had the lowest proportion of children living in poor families (12.3 percent) and the lowest proportion of children in child care subsidized by DSHS.

We expected that we would find a strong relationship between the proportion of children subsidized by DSHS and poverty within smaller geographic areas than DSHS Region or county. The 1990 Census contains zip code level information on the proportion of families with children under 5 that are poor. By linking this information to the zip code of family home providers and child care centers, we examined the relationship between the proportion of children subsidized by DSHS and the relative poverty of the neighborhood (as defined by zip code).

Table 30 displays the relationship between the proportion of children that are subsidized by DSHS and the relative poverty of the neighborhood. In the poorest neighborhoods, more than 22 percent of families with children under 5 live in poverty. Thirty percent of children attending centers located in those neighborhoods are subsidized by DSHS; 37 percent of children attending homes in those neighborhoods are subsidized by DSHS. At the other extreme, DSHS subsidized less than 10 percent of the children in licensed care in affluent neighborhoods (less than 4 percent of children living in poverty).

Table 30 also displays the relationship between the proportion of children living in poverty and the likelihood that a family home will serve DSHS children. Given that few children in more affluent neighborhoods qualify for DSHS subsidies, it is not surprising that a small proportion (21 percent) of family homes in affluent neighborhoods serve DSHS children. On the other hand,

over two-thirds of family homes in poorer neighborhoods (more than 22 percent of children in poverty) serve DSHS children. This helps explain why only 49 percent of family homes serve DSHS children.

Table 30. Neighborhood Poverty and Proportion of Children Subsidized by DSHS

Proportion of Families with Children under 5 below Poverty, by zipcode	Proportion of Children in Care That are Subsidized by DSHS		Percent of Family Homes Serving DSHS Children
	Centers	Homes	
<4.0%	8.8%	5.9%	21.0%
4.0-7.4%	14.4%	9.6%	29.2%
7.5-12.9%	17.5%	14.2%	43.7%
13.0%-21.9%	25.6%	21.1%	55.8%
22% or more	33.0%	37.3%	68.3%

Source: DSHS Research and Data Analysis
1998 Surveys of Child Care Centers and Family Homes

Who Served DSHS-Subsidized Children

Willingness to Serve Subsidized Children and Enrollment Limits

In 1998, 85 percent of centers served DSHS-subsidized children. Of the centers not serving, three-quarters stated a willingness to enroll DSHS-subsidized children. Less than 4 percent of centers stated that they did not serve and were unwilling to serve DSHS-subsidized children. Of centers serving DSHS families, 16 percent said that they limit the number of DSHS children that they were willing to enroll. For those centers with limits, the average limit was eleven subsidized children. Centers in Region 4 were least likely to care for subsidized children and most apt to limit their number (Table 31). However, even in Region 4, 95 percent of centers were willing to enroll DSHS children.

Table 31. Centers Limiting Enrollment of DSHS-Subsidized Children

DSHS Region	Number of Centers	Percent Willing to Serve DSHS Children	Percent Serving DSHS Children	Percent Limiting DSHS Children[1]	Average Limit on DSHS Children[2]
1	275	99%	91%	16%	9
2	167	96%	88%	7%	6
3	262	96%	88%	14%	12
4	576	95%	80%	19%	9
5	295	97%	86%	19%	15
6	265	98%	87%	17%	10
Statewide	1,840	97%	85%	16%	11

[1] For centers serving DSHS children.

[2] For centers with a limit on number of DSHS children served.

Source: DSHS Research and Data Analysis
1998 Survey of Child Care Centers

In the 1998 survey we asked licensed family home providers if they were willing to care for DSHS-subsidized children and if they had cared for DSHS subsidized children in the last week. Ninety percent of family home providers said they would be willing to provide care to subsidized families (Table 32). However, only about half of the family providers who were willing to accept DSHS subsidized children had actually cared for them in 1998.

Table 32. Family Homes Taking DSHS-Subsidized Children

DSHS Region	Willing to Take DSHS Children	Actually Had DSHS Children
1	95%	59%
2	93%	61%
3	89%	44%
4	83%	36%
5	91%	47%
6	92%	52%
Statewide	90%	49%

Source: DSHS Research and Data Analysis
1998 Survey of Family Homes

Increased Access to Licensed Care

Access to center care for DSHS-subsidized children has generally improved since 1990. In the survey conducted in 1990, 74 percent of centers and 26 percent of licensed family homes reported serving DSHS children. The last two surveys have seen a substantial increase in the proportion of centers serving DSHS children (84 percent in 1996, 85 percent in 1998). The increase in centers appears to be due to changes in the number of for-profit centers serving DSHS children. While the proportion of non-profit centers accepting DSHS children has been stable over the past eight years, the proportion of for-profit centers serving DSHS children has increased recently. Non-profit and for-profit centers are now similar in their likelihood to care for subsidized. In licensed family homes, the 1998 survey found a major increase in the proportion of providers serving DSHS children (49 percent).

Table 33. Changes in Centers and Family Homes Accepting DSHS Children, 1990-1998

Year	Centers with DSHS Children	For-Profit Centers with DSHS Children	Non-Profit Centers with DSHS Children	Centers Limiting DSHS Children	Homes with DSHS Children
1990	74%	67%	80%	Unknown	26%
1992	73%	69%	76%	24%	38%
1994	76%	70%	79%	20%	41%
1996	84%	83%	83%	13%	39%
1998	85%	86%	84%	16%	49%

Source: DSHS Research and Data Analysis
1990, 1992, 1994, 1996 and 1998 Surveys of Child Care Centers and Family Homes

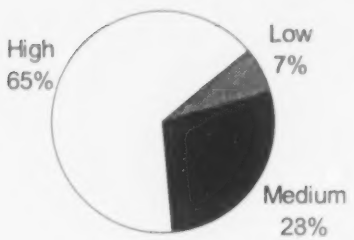
Characteristics of Centers Serving DSHS Children

Centers by Concentration of DSHS Children

While most child care centers serve at least one DSHS child, the proportion of children in a center that are subsidized by DSHS varies widely. The proportion of children that are subsidized by DSHS can be used to categorize centers. Almost 40 percent of centers have less than 10 percent of their children subsidized by DSHS ("Low"). At the other end, 31 percent of centers have more than 25 percent of their children subsidized by DSHS ("High"). The remaining 29 percent of centers have between 10 and 25 percent of their children subsidized by DSHS ("Medium").

Figure 43 displays the proportion of DSHS-subsidized that attend centers with differing concentrations of DSHS children ("Low"/"Medium"/"High"). While 40 percent of centers have fewer than 10 percent of their children subsidized by DSHS, only 7 percent of DSHS children attend such centers. At the other extreme, 65 percent of DSHS-subsidized children who attend child care centers go to centers where over 25 percent of the children are subsidized by DSHS.

Figure 43. Distribution of DSHS-Subsidized Children, According to the Proportion of Children in the Center Subsidized by DSHS



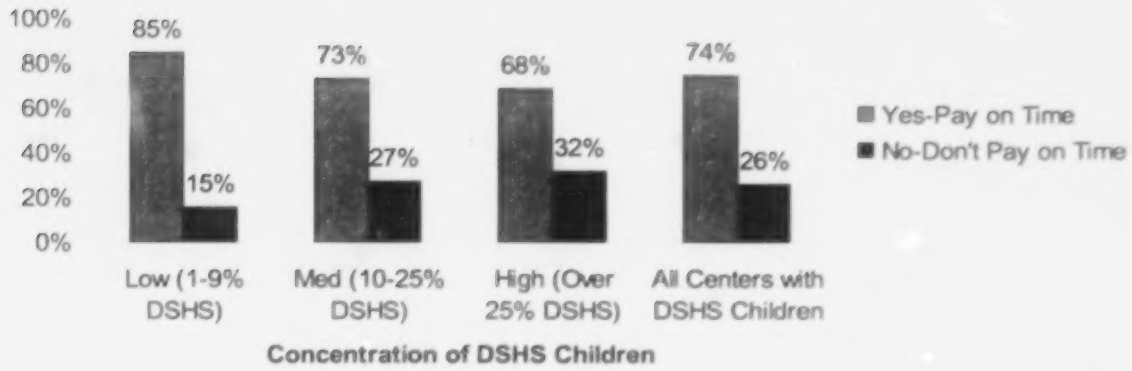
Low (Less than 10% DSHS):	n=710
Medium (10-25% DSHS):	n=561
High (Over 25% DSHS):	n=569

Source: DSHS Research and Data Analysis
1998 Survey of Child Care Centers

Payment Problems with DSHS-Subsidized Children

In the 1998 survey, centers were asked whether the parents of subsidized children pay their portion of their fees on time. Overall, 74 percent of centers that cared for DSHS-subsidized children said that parents generally paid on time. It appears that centers that serve a higher proportion of DSHS-children may have more payment problems: almost one-third of centers with more than 25 percent DSHS-subsidized children report payment problems.

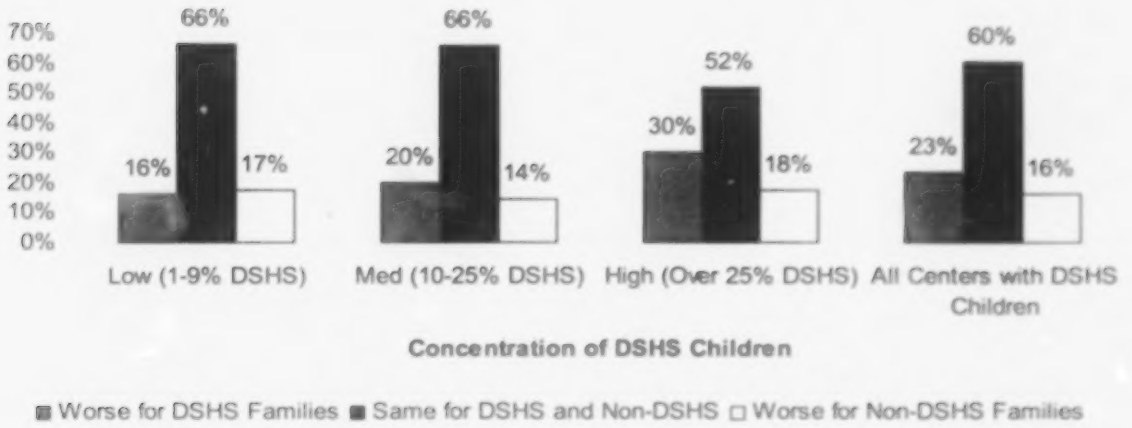
Figure 44. On-Time Payment for DSHS-Subsidized Children, For Centers Serving DSHS-Subsidized Children



Source: DSHS Research and Data Analysis
1998 Survey of Child Care Centers

In a follow-up question, centers were asked to compare late payment by subsidized families to that of non-subsidized families. A substantial majority of centers (60 percent) report that the payment problems for subsidized families are the same as those for non-subsidized families. An additional 16 percent stated that payment problems with non-subsidized families were worse than among subsidized families. However, almost one-quarter of centers did state that payment problems were worse for subsidized families than for non-subsidized families. Payment problems among subsidized families are most severe in centers with a high proportion of subsidized children: 30 percent of centers with more than 25 percent subsidized children reported having worse payment problems with subsidized families than with non-subsidized families.

Figure 45. Payment Problems with DSHS-Subsidized Families, For Centers with DSHS-Subsidized Children



Source: DSHS Research and Data Analysis
1998 Survey of Child Care Centers

Effects of DSHS Maximum Rates

DSHS pays providers their usual and customary rates, up to the DSHS maximum rate. Every two years DSHS changes the maximum rate to reflect changes in market rates. At the time of the survey, DSHS maximum rates were set at the 59th percentile of rates observed in 1996. It is reasonable to assume that providers' decisions to accept DSHS subsided children will depend partly on whether or not they will receive their customary rate for care. If subsidy rates are too low, parents may be limited to the less expensive providers.

Among centers caring for full-time preschool-age children, the statewide average rate for such care was less in centers which served DSHS children than in those centers that did not (Table 34). The statewide difference was driven by Region 4, where 43 percent of the centers not serving DSHS children are located. Among centers serving subsidized children, those limiting DSHS enrollment, on average, charged more for full-time preschool care than centers that set no limits. Differences in rates charged by providers who served versus did not serve subsidized children were significant only in Region 4. Among providers accepting DSHS subsidized children, significant rate differences were observed in Regions 1, 2, 4, and 6 according to whether or not they limited enrollment (Table 34).

Table 34. Full-time Rates for Preschool-Age Children, Difference Between Centers Serving DSHS Children and Those Not Serving

Region	Serving DSHS Children		Of Centers Serving DSHS Children Setting Limit to Their Enrollment	
	Yes	*No*	*Yes*	*No*
1	$360	$336	$399	$352[2]
2	$359	$358	$396	$356[1]
3	$444	$466	$454	$444
4	$525	$523[3]	$579	$508[3]
5	$408	$449	$396	$410
6	$391	$395	$426	$382[1]
Statewide	$434	$542[3]	$476	$425[3]

[1] Significant at .05.
[2] Significant at .01.
[3] Significant at .001.

Source: DSHS Research and Data Analysis
1998 Survey of Child Care Centers

A similar comparison among homes also showed that homes accepting DSHS subsidized children had lower average full-time preschool rates than homes that did not. As with centers, the statewide difference was the result of a highly significant difference in Region 4.

The higher rate charged by providers who did not care for subsidized children when compared to providers who did care for subsidized children suggests that DSHS subsidy rates may deter some providers from accepting DSHS subsidized children. Other factors may also have contributed to the observed differences.

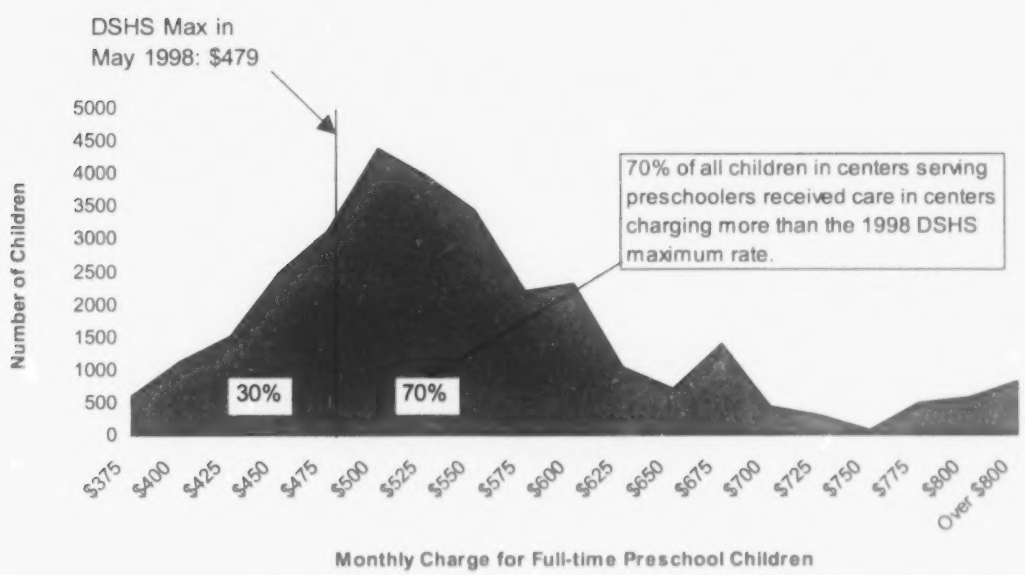
Region 4 Centers as an Example

A wide range of providers serve DSHS children. Even some of the more expensive providers are willing to care for DSHS children, as illustrated in the following two figures (Figures 46 and 47). For simplicity, we limited our analysis to centers in Region 4 that serve full-time preschool-age children.

In Region 4, 70 percent of all children in centers received care in centers charging more than the DSHS maximum rate for full-time preschool in effect at the time of the survey (Figure 46). Looking at only DSHS-subsidized children, 56 percent went to centers that customarily charged more than the DSHS maximum (Figure 47). While DSHS-subsidized children are less likely to attend centers with preschool rates above the DSHS maximum, even among DSHS-subsidized children, a majority attended centers in 1998 that charged more than the maximum. Thus, a substantial number of providers with rates above the DSHS maximum accept children with DSHS subsidies.

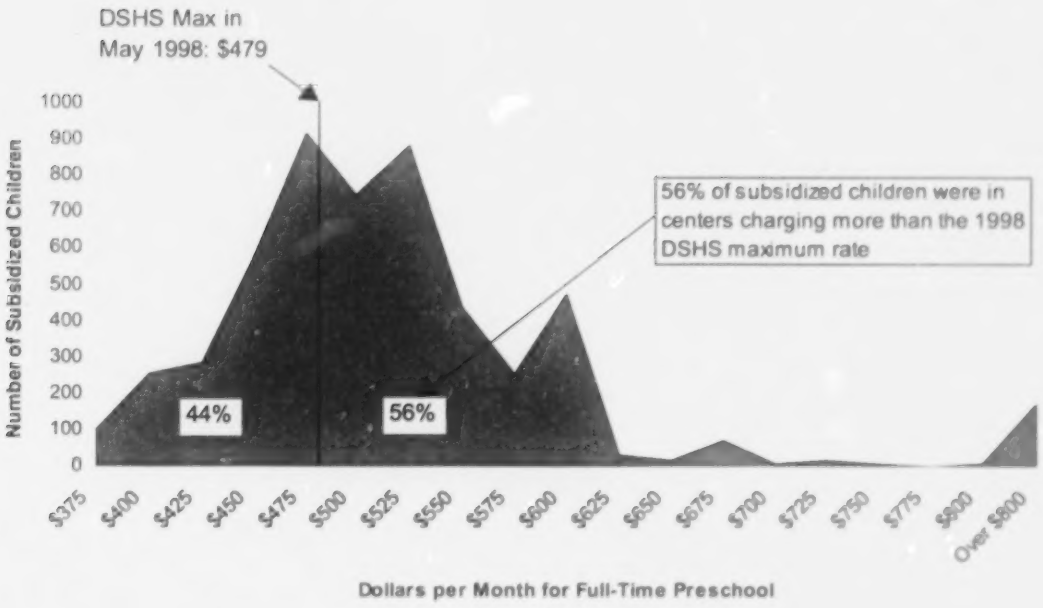
A closer look at the difference in the distribution of rates for all children versus DSHS children indicates that centers with rates slightly above the DSHS maximum accept many subsidized children. On the other hand, few DSHS-subsidized children are accepted by centers with very high rates.

Figure 46. Number of Children in Centers by Monthly Charges for Full-Time Preschool Care, Region 4



Source: DSHS Research and Data Analysis
1998 Survey of Child Care Centers

Figure 47. Number of DSHS-Subsidized Children in Centers by Monthly Charge for Full-Time Preschool Care, Region 4



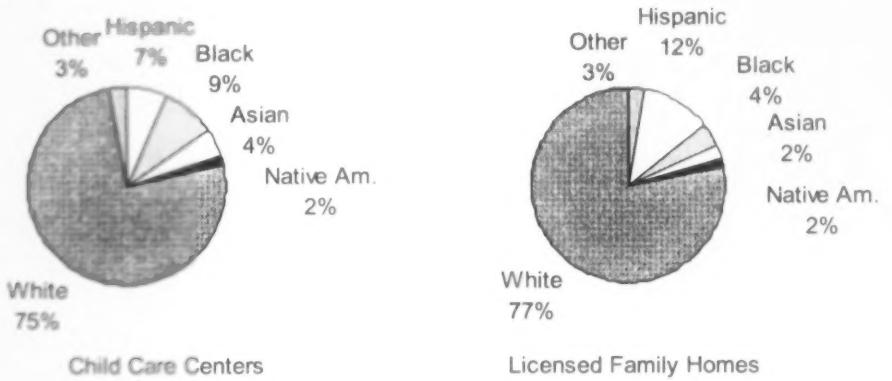
Source: DSHS Research and Data Analysis
1998 Survey of Child Care Centers

CHAPTER 7. ETHNICITY

Ethnicity of Children in Licensed Care

Providers were asked about the ethnicity of children in their care in the 1998 child care surveys. This information was not collected in earlier surveys. Family home providers were asked about the ethnicity of each child in their care and child care centers gave summaries of the number of children by ethnic group. Race or ethnicity was recorded for almost all children in family homes. The reporting for centers was problematic. Multiple-site centers that replied by mail were not asked about ethnicity and some additional centers had large inconsistencies between the number of children whose ethnicity they reported compared to the number of they reported serving. The responses of the remaining 64 percent of centers were assumed to be representative of all centers. Both center and home surveys allowed children with mixed racial or ethnic backgrounds to be coded. This method is consistent with racial coding for the 2000 Census. The analysis shown here gives the percent of children who fell into each racial or Hispanic category. Figure 48 displays information on the ethnic distribution of children in family homes and centers licensed by the state of Washington.

Figure 48. Ethnic Distribution of Children in Child Care Centers and Licensed Family Homes



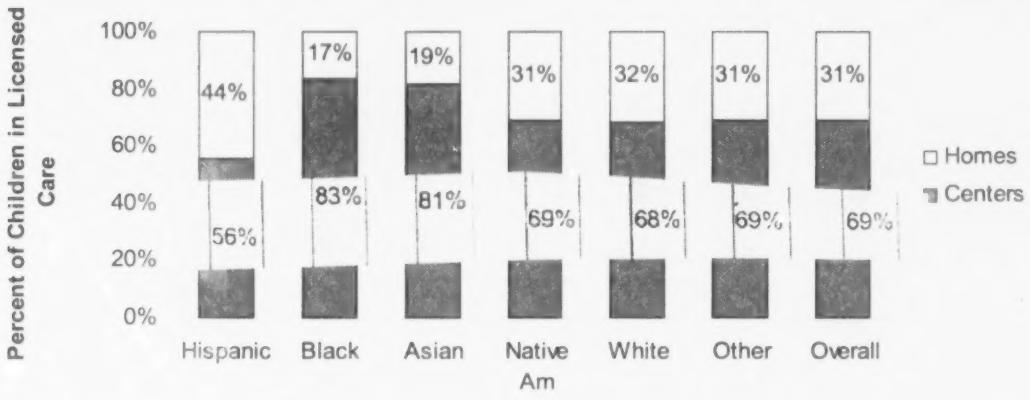
Source: DSHS Research and Data Analysis
1998 Surveys of Child Care Centers and Family Homes

The ethnic composition of children in licensed family homes and centers is quite similar to that for all children under five in Washington State. The 1998 estimates of the ethnic composition of children under five made by the Office of Financial Management are: White, Non-Hispanic, 78.9 percent; Hispanic, 10.6 percent; Asian or Pacific Islander, 5.0 percent; Black, 3.6 percent; and Native American 1.9 percent. The ethnic composition of children in licensed family homes closely reflects the statewide composition with the exception of Asian children who appear to be slightly under-represented in family homes. The center population, on the other hand, appears to be have a somewhat higher proportion of non-white children than the state as a whole. Most notably, a higher proportion of children in child care centers are black than is true for the state generally (9 percent in centers versus 3.6 percent of children under five).

A comparison of the pies in Figure 48 for family homes and centers suggests that children of different ethnic groups vary in their likelihood of attending centers versus homes. For instance, while 9 percent of all children in child care centers are black, only 4 percent of children in licensed family homes are black.

Figure 49 displays the proportion of children attending centers versus family homes for each ethnic group. While 31 percent of all children in licensed care attend licensed family homes, only 17 percent of black children in licensed care and 19 percent of Asians or Pacific Islanders in licensed care go to family homes. Hispanics, on the other hand, are somewhat more likely to attend homes than is true overall (44 percent versus 31 percent). These differences may be partly explained by the geographic concentration of children of different ethnic groups. Figure 17 in Chapter 3 showed that children in the metropolitan regions of the state are much more likely to attend centers rather than homes compared to children in more rural areas. To the extent that black and Asian children live in the metropolitan portions of Washington State they are thus more likely to attend centers than homes. The reverse logic applies to Hispanic children in licensed care.

Figure 49. Distribution of Children in Child Care Centers versus Licensed Family Homes By Ethnicity



Source: DSHS Research and Data Analysis
1998 Surveys of Child Care Centers and Family Homes

Caution Regarding Data for Native Americans

These surveys did not contact centers and homes licensed by tribal authorities. Many tribes maintain separate licensing or certification systems. Only centers and homes licensed by the state of Washington were surveyed for this report. Since child care providers licensed by tribes in Washington State are excluded from the report, this report undoubtedly undercounts Native American children and child care providers. Thus, information presented on Native Americans must be used with caution.

Ethnicity and Licensed Family Homes

Ethnicity of Providers and Children in Licensed Family Homes

Table 35 displays the ethnic distribution of family home providers and children in care. The ethnic distribution for Washington State as a whole as well as that for children under five is presented in the first two columns. The ethnic distribution of providers and children mirrors the state's ethnic distribution for children under five more closely than that of the state's population as a whole. This is particularly true for Hispanic providers and children. While 11 percent of family home providers are Hispanic (as are 11 percent of the children under five), only 6 percent of Washington's population is estimated to be Hispanic. Asian or Pacific Islander children and providers appear to be somewhat under-represented in licensed homes.

Table 35. Ethnicity of Family Home Providers and Children in Licensed Family Homes

Race or Ethnicity	Percent of Population by Race/ Ethnicity*	Percent of Population Under 5 by Race/Ethnicity*	Number of Providers	Percent of Providers	Number of Children in Family Homes	Percent of Children in Family Homes
White	83%	79%	6,315	80%	40,966	78%
Hispanic	6%	11%	829	11%	6,144	12%
Asian	6%	5%	178	2%	1,165	2%
Black	3%	4%	136	2%	2,032	4%
Native American	2%	2%	109	1%	915	2%
Other or Unknown			294	4%	1,403	3%
State Total	100%	101%	7,861	100%	52,625	100%

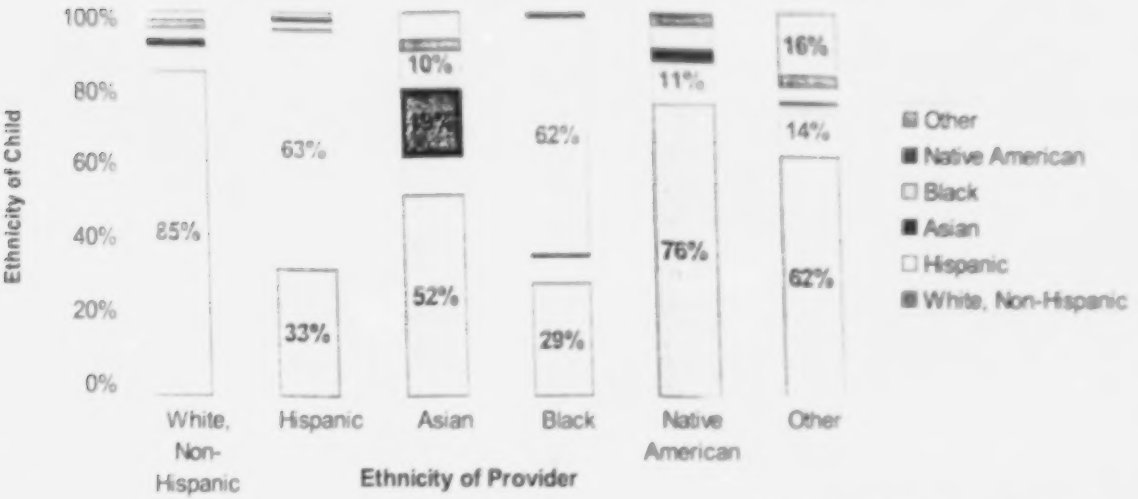
* Estimates of the 1998 population of Washington State, Office of Financial Management.

Source: DSHS Research and Data Analysis
1998 Survey of Family Homes

The information on ethnicity of family home providers and children can be used to investigate the degree of similarity in ethnicity between providers and the children in their care. This issue is examined from two different perspectives: the ethnicity of the provider and the ethnicity of the child.

Figure 50 displays the ethnicity of the provider and that of the children in their care. Providers are more likely to care for children of similar ethnicity. For example, while 78 percent of all children cared for in licensed family homes are white, 85 percent of children cared for by white, non-Hispanic providers are white. The picture for the next two groups of providers is more dramatic: almost two-thirds of children cared for by Hispanic family home providers are Hispanic, and over 60 percent of children cared for by Black providers are black. The distribution of children for Asian and Native American providers is less skewed, but there is a clear tendency for a high proportion of children cared for by Asian providers to be Asian.

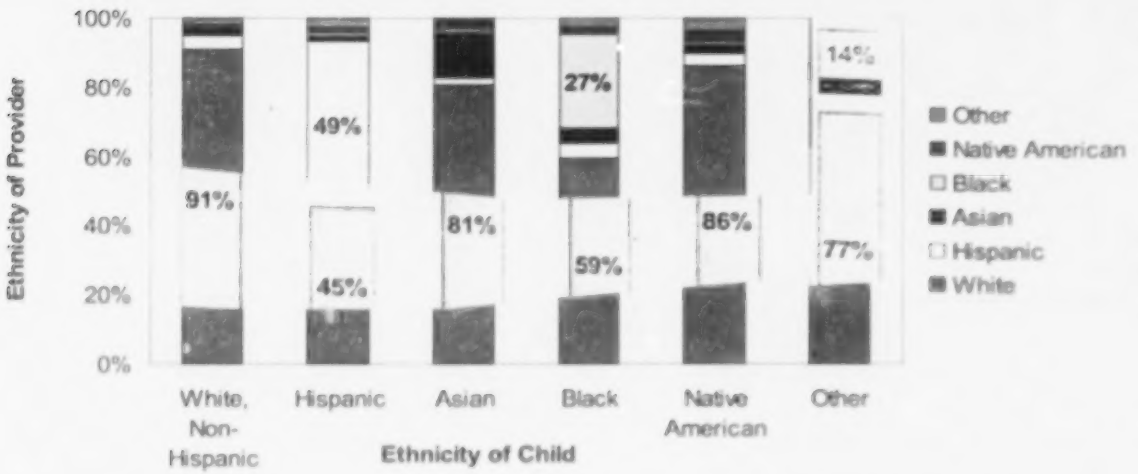
Figure 50. Distribution of Children by Ethnicity of Family Home Provider



Source: DSHS Research and Data Analysis
1998 Survey of Family Homes

While there is a strong association between the ethnicity of the provider and the ethnicity of children in their care, many children are cared for by providers of a different ethnicity. Looking at the ethnicity of providers for children of various ethnic groups yields somewhat different information (Figure 51). Eighty percent of all family home providers are white, and 91 percent of all white children in licensed family homes are cared for by white, non-Hispanic providers. Indeed, the majority of children of every ethnic group except Hispanics are cared for by white, non-Hispanic providers. For example, although 62 percent of children cared for by black providers are black (see above), only 27 percent of black children are cared for by black providers (see below).

Figure 51. Distribution of Family Providers by Ethnicity of Child



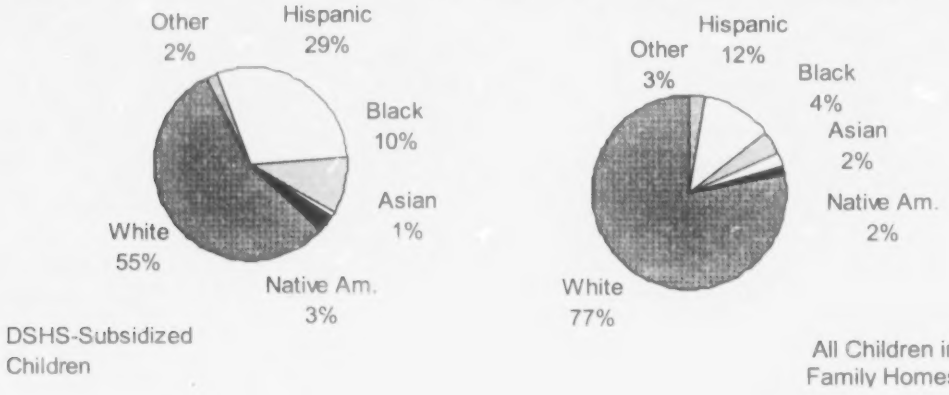
Source: DSHS Research and Data Analysis
1998 Survey of Family Homes

81

DSHS Children and Ethnicity

The 1998 survey of licensed family homes collected information on ethnicity and DSHS subsidy for each child in care. Figure 52 shows the ethnic composition for children who received DSHS-subsidized child care as well as the ethnic composition of all children in family homes (also presented in Figure 48). While 78 percent of all children in licensed family homes are white, only 55 percent of DSHS-subsidized children in licensed family homes are white. Hispanic and black children, on the other hand, constitute a much larger proportion of the DSHS-subsidized children in licensed family homes than they do of all children in licensed homes.

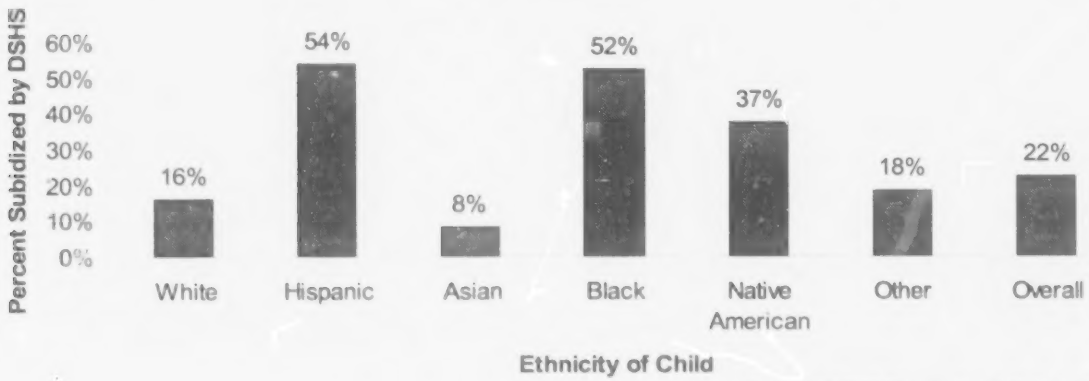
Figure 52. Ethnic Composition of DSHS-Subsidized Children in Licensed Family Homes



Source: DSHS Research and Data Analysis
1998 Survey of Family Homes

Figure 53 presents the proportion of children in family homes that are subsidized by DSHS for each ethnic group. Over half of all black and Hispanic children in licensed family homes are subsidized by DSHS. This explains why those two ethnic groups constitute such a high proportion of all DSHS-subsidized children in licensed family homes.

Figure 53. Percent of Children in Licensed Family Homes Subsidized by DSHS, By Ethnicity



Source: DSHS Research and Data Analysis
1998 Survey of Family Homes

The ethnicity of family home providers is related to the percent and number of DSHS subsidized children in their care. Almost half of all family homes served DSHS children (Table 36). A much higher percentage of black and Hispanic family home providers served DSHS subsidized children (black: 94 percent; Hispanic: 72 percent). Statewide, 20 percent of children in family homes were subsidized. However, 56 percent of all children cared for by among black providers and 48 percent of children cared for by Hispanic providers were subsidized by DSHS.

Family home providers who served subsidized children cared for an average of 2.9 subsidized children (Table 36). The average number of DSHS children per black or Hispanic family home provider for providers serving DSHS children (4.0) was higher than the state average (2.9).

Table 36. Family Home Providers Serving DSHS Subsidized Children by Ethnicity of Provider

Race or Ethnicity of Provider	Number of Providers	Percent of Providers	Percent Serving DSHS Children	Number of DSHS Children Served	Percent of Children Subsidized by DSHS	Average Number of DSHS Children Served*
White	6,315	80%	44%	7,165	16%	2.6
Hispanic	829	11%	72%	2,377	48%	4.0
Asian	178	2%	53%	272	29%	2.9
Black	136	2%	94%	510	56%	4.0
Native American	109	1%	48%	165	20%	3.2
Other or Unknown	294	4%	54%	406	28%	2.6
State Total	7,861	100%	49%	10,895	20%	2.9

* Only for homes serving at least one DSHS-subsidized child

Source: DSHS Research and Data Analysis
1998 Survey of Family Homes

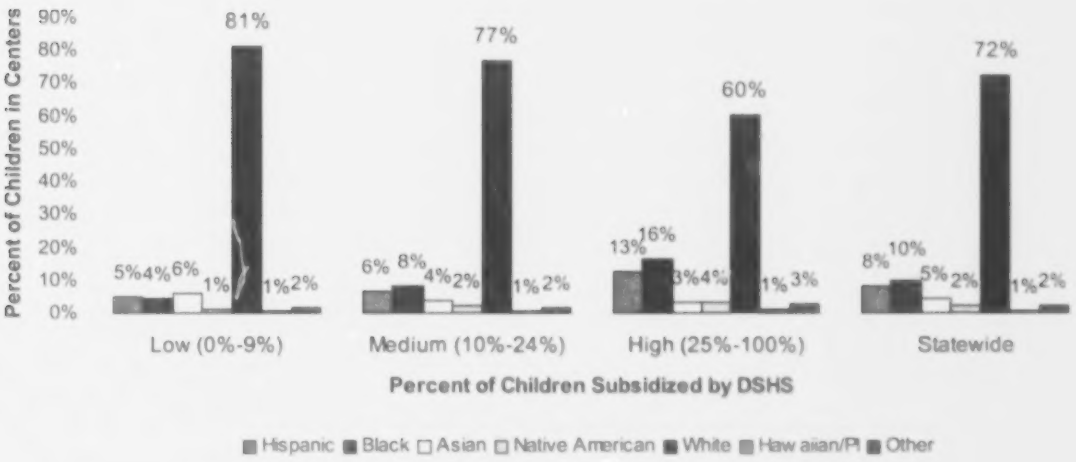
Child Care Centers

DSHS-Subsidized Children and Ethnicity of Children in Child Care Centers

Information on the ethnicity and subsidy status of each child was not collected from child care centers. It is possible, however, to look at the ethnic composition of children attending centers with differing proportions of DSHS-subsidized children. As done in the Chapter 6, centers were divided into three approximately equal groups according to the proportion of children that were subsidized by DSHS.

Centers with a high proportion of DSHS-subsidized children (over 25 percent) are more ethnically heterogeneous than centers with a low proportion of DSHS subsidized children. However, even in centers where at least 25 percent of the children are subsidized by DSHS, the majority of children are white. As shown in Figure 54, 60 percent of children attending centers with a high proportion of children subsidized by DSHS are white; 81 percent of children in centers with a low proportion of subsidized children are white.

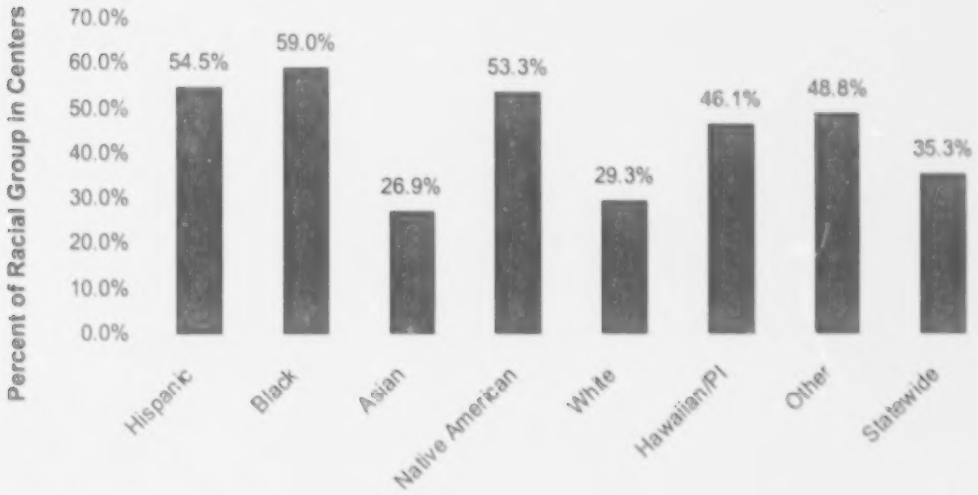
Figure 54. Ethnic Composition of Centers by Concentration of DSHS-Subsidized Children



Source: DSHS Research and Data Analysis
1998 Survey of Child Care Centers

A different picture can be seen by focusing on the ethnic composition of children attending centers with more than 25 percent of their children subsidized by DSHS. Overall 35 percent of all children attend such centers, but only 29 percent of white children in centers attend centers with a high concentration of DSHS-subsidized children (Figure 55, below). On the other hand, almost 60 percent of black children and 55 percent of Hispanic children attend centers where more than one-quarter of the children in attendance are subsidized by DSHS.

Figure 55. Percent Attending Centers with at Least 25 Percent Subsidized by DSHS



Source: DSHS Research and Data Analysis
1998 Survey of Child Care Centers

Summary

This was the first time that the DSHS child care surveys inquired about the ethnicity of the children in licensed care. The picture that emerges is complex, but the following findings are notable:

- The ethnic composition of both children and providers in licensed family homes is similar to the ethnic composition of children under five in the state as a whole. Centers have a slightly higher proportion black children than their proportion in the state overall.
- Licensed family home providers tend to serve children of the same ethnicity: 85 percent of the children cared for by white providers are white; 63 percent of the children cared for by Hispanic providers are Hispanic; and 62 percent of the children cared for by black providers are black.
- Eighty percent of all licensed family home providers are white and white providers care for the majority of children in licensed family homes of every ethnicity except Hispanics. Only 27 percent of black children in licensed family homes are cared for by black providers; 49 percent of Hispanic children in licensed homes are cared for by Hispanic providers.
- The majority of DSHS-subsidized children in licensed family homes are white. However, while 78 percent of all children in licensed family homes are white, only 55 percent of the subsidized children in family homes are white.
- Over half of all black and Hispanic children in licensed family homes are subsidized by DSHS.
- Child care centers with a high proportion of children subsidized by DSHS are more ethnically heterogeneous than the state as a whole. About one-third of all children in center care attend centers where at least 25 percent of the children are subsidized by DSHS. However, over half of all Hispanic, Black, and Native American children in center care are enrolled in such centers.

In order to make room for new questions, these race/ethnicity questions will not be asked in the 2000 survey. As these questions provided important information on the differentiation of the child care market by ethnicity, we anticipate asking them again in a future survey.

APPENDIX A: COUNTY STATISTICS

Table A1: 1998 County Level Statistics: Facilities and Child Care Slots 74

Table A2: 1998 County Level Statistics: Vacancies and Vacancy Rates 75

Table A3: 1998 County Level Statistics: Children in Licensed Child Care 76

Table A4: 1998 County Level Statistics: Children in Subsidized Child Care 77

Table A5: 1998 County Level Statistics:
Average Price of Full-Time Preschool Child Care 78

Table A1. 1998 County Level Statistics: Facilities and Child Care Slots

Counties	Licensed Centers	Licensed Homes	Licensed Facilities	Slots in Centers [1]	Slots in Homes		Total Capacity [4]
					FTE [2]	Capacity [3]	
Adams	4	24	28	149	160	174	324
Asotin	9	13	22	405	81	88	493
Benton	**47**	**302**	**349**	**2,951**	**1,711**	**2,135**	**5,086**
Chelan	25	191	216	886	1,108	1,553	2,438
Clallam	15	62	77	733	440	485	1,218
Clark	**80**	**659**	**739**	**4,701**	**3,248**	**4,105**	**8,806**
Columbia	1	2	3	*	12	20	20
Cowlitz	25	69	94	1,617	418	460	2,077
Douglas	**7**	**86**	**93**	**301**	**591**	**675**	**976**
Ferry	2	1	3	41	*	*	41
Franklin	20	164	184	1,296	1,266	1,257	2,553
Garfield	**0**	**1**	**1**		*	*	*
Grant	14	193	207	974	1,083	1,143	2,117
Grays Harbor	21	77	98	814	477	634	1,448
Island	**15**	**84**	**99**	**712**	**391**	**549**	**1,261**
Jefferson	4	28	32	220	154	201	421
King	576	1,855	2,431	36,129	11,286	13,700	49,829
Kitsap	**66**	**337**	**403**	**3,522**	**2,113**	**2,623**	**6,145**
Kittitas	11	51	62	570	269	326	896
Klickitat	2	27	29	57	170	235	292
Lewis	**17**	**62**	**79**	**704**	**463**	**481**	**1,185**
Lincoln	2	10	12	55	47	64	119
Mason	7	57	64	151	389	461	612
Okanogan	**10**	**57**	**67**	**400**	**369**	**504**	**904**
Pacific	4	17	21	113	104	121	234
Pend Oreille	2	7	9	54	41	41	95
Pierce	**229**	**747**	**976**	**13,127**	**4,235**	**5,812**	**18,939**
San Juan	6	12	18	137	52	87	224
Skagit	31	152	183	1,386	990	1,152	2,538
Skamania	**3**	**4**	**7**	**102**	**21**	**25**	**127**
Snohomish	165	904	1,069	11,037	5,176	6,337	17,374
Spokane	182	566	748	11,601	3,431	4,339	15,940
Stevens	**5**	**28**	**33**	**167**	**152**	**225**	**392**
Thurston	86	296	382	4,611	1,917	2,315	6,926
Wahkiakum	1	1	2	68	*	*	68
Walla Walla	**16**	**60**	**76**	**1,011**	**340**	**394**	**1,405**
Whatcom	45	121	166	2,448	746	922	3,370
Whitman	13	44	57	984	195	278	1,262
Yakima	**72**	**490**	**562**	**4,604**	**3,152**	**3,229**	**7,833**
State Total	1,840	7,861	9,701	108,837	46,798	57,151	165,987

[1] Sum of centers' licensed capacities
[2] FTE Children in care + reported vacancies
[3] Licensed Slots minus provider's own children
[4] Sum of Licensed Slots in Centers and Homes
* Unable to estimate because no center or home provider responded.

Due to higher level of detail, columns may not always agree with totals in this table or totals shown elsewhere

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1998 Survey of Child Care Centers and Homes

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Table A2. 1998 County Level Statistics: Vacancies and Vacancy Rates

		Vacancies, All Age Groups				Vacancies for Very Young Children			
						Centers [2]		Homes [3]	
Counties	Total Capacity	Centers	Homes	Total	Vacancy Rate [1]	Infants	Toddlers	Under Two	Total
Adams	324	31	30	61	19%	0	4	11	15
Asotin	493	18	7	25	5%	9	0	3	12
Benton	5,086	689	233	923	18%	14	130	85	229
Chelan	2,438	111	248	358	15%	5	4	88	97
Clallam	1,218	47	58	105	9%	0	3	24	28
Clark	8,806	395	490	885	10%	11	52	122	186
Columbia	20	*	0	0	0%	*	*	0	0
Cowlitz	2,077	211	61	272	13%	2	38	31	71
Douglas	976	0	172	172	18%	*	*	51	51
Ferry	41	0	*	0	0%	*	*	*	*
Franklin	2,553	136	270	406	16%	0	28	70	98
Garfield	*	*	*	0	0%	*	*	*	*
Grant	2,117	76	223	300	14%	0	16	72	88
Grays Harbor	1,448	143	51	195	13%	10	20	10	40
Island	1,261	54	48	102	8%	5	5	14	25
Jefferson	421	28	14	42	10%	16	8	5	29
King	49,829	3,911	2,208	6,120	12%	150	758	731	1,638
Kitsap	6,145	532	476	1,008	16%	18	57	165	240
Kittitas	896	56	43	99	11%	2	6	25	33
Klickitat	292	10	37	47	16%	*	*	15	15
Lewis	1,185	140	53	192	16%	4	21	21	46
Lincoln	119	25	1	26	22%	0	3	1	4
Mason	612	51	39	89	15%	*	*	17	17
Okanogan	904	127	57	184	20%	13	20	23	56
Pacific	234	15	29	44	19%	3	4	3	10
Pend Oreille	95	16	1	17	18%	*	0	0	0
Pierce	18,939	1,221	683	1,904	10%	78	316	219	612
San Juan	224	8	2	9	4%	*	*	*	*
Skagit	2,538	98	203	301	12%	5	26	108	139
Skamania	127	8	3	11	9%	*	2	1	3
Snohomish	17,374	1,419	789	2,208	13%	111	348	346	804
Spokane	15,940	1,551	405	1,956	12%	70	200	210	480
Stevens	392	13	20	33	8%	2	2	8	12
Thurston	6,926	884	312	1,196	17%	18	85	95	198
Wahkiakum	68	41	*	41	60%	1	5	*	6
Walla Walla	1,405	99	47	146	10%	9	13	13	35
Whatcom	3,370	173	169	343	10%	0	20	30	50
Whitman	1,262	0	30	30	2%	*	*	5	5
Yakima	7,833	687	635	1,322	17%	70	78	209	357
State Total	165,987	13,025	8,146	21,171	13%	627	2,270	2,830	5,727

[1] Vacancy rate = Vacancies/Licensed Slots
[2] Center Vacancies: Infants up to 1; Toddlers 1 to 2.5
[3] Home Vacancies for Infant/Toddlers under 2 years old

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1998 Survey of Child Care Centers and Homes

* No center or homes responded to question on vacancies or infant vacancies.

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Table A3. 1998 County Level Statistics: Children in Licensed Child Care

	All Children	Children in Licensed Care			% Under 13 in Licensed Care [2]	Total	Slots per 100
		Centers	Homes	Total			
Adams	3,924	135	150	285	7%	324	8
Asotin	3,946	599	103	701	18%	493	13
Benton	30,032	2,403	2,045	4,448	15%	5,086	17
Chelan	13,217	879	1,171	2,050	16%	2,438	18
Clallam	10,990	1,065	556	1,621	15%	1,218	11
Clark	68,167	6,097	4,010	10,107	15%	8,806	13
Columbia	703		13	13	2%	20	3
Cowlitz	18,275	1,779	550	2,329	13%	2,077	11
Douglas	6,194	327	532	859	14%	976	16
Ferry	1,467	50	*	50	3%	41	3
Franklin	11,289	936	1,166	2,102	19%	2,553	23
Garfield	405		*	0	0%	*	*
Grant	15,640	1,190	1,173	2,363	15%	2,117	14
Grays Harbor	13,144	1,041	622	1,663	13%	1,448	11
Island	13,878	882	510	1,392	10%	1,261	9
Jefferson	4,246	124	226	350	8%	421	10
King	297,461	37,918	11,885	49,803	17%	49,829	17
Kitsap	47,988	4,481	2,438	6,919	14%	6,145	13
Kittitas	4,871	516	294	809	17%	896	18
Klickitat	3,703	82	199	281	8%	292	8
Lewis	13,585	840	599	1,439	11%	1,185	9
Lincoln	1,740	62	84	146	8%	119	7
Mason	8,682	160	550	709	8%	612	7
Okanogan	7,950	618	562	1,181	15%	904	11
Pacific	3,535	130	117	247	7%	234	7
Pend Oreille	2,228	62	57	119	5%	95	4
Pierce	139,535	13,820	5,001	18,821	13%	18,939	14
San Juan	1,971	236	96	332	17%	224	11
Skagit	19,255	1,695	1,152	2,846	15%	2,538	13
Skamania	1,984	149	21	170	9%	127	6
Snohomish	118,331	11,605	6,301	17,906	15%	17,374	15
Spokane	78,669	12,641	4,032	16,673	21%	15,940	20
Stevens	7,578	245	199	444	6%	392	5
Thurston	38,234	4,051	2,188	6,239	16%	6,926	18
Wahkiakum	667	86	*	86	13%	68	10
Walla Walla	9,704	1,203	403	1,606	17%	1,405	14
Whatcom	29,198	2,698	998	3,695	13%	3,370	12
Whitman	5,787	778	260	1,038	18%	1,262	22
Yakima	48,223	5,328	3,020	8,348	17%	7,833	16
State Total	1,106,395	116,907	53,286	170,193	15%	165,987	15

[1] Based on Office of Financial Management (OFM) estimate of 1998 population of children under 13
[2] Children in licensed care/All children under 13
[3] From last column of Table A1
[4] 100 x (Licensed slots/All children under 13)
* No homes responded to survey.

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1998 Survey of Child Care Centers and Homes

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Table A4. 1998 County Level Statistics: Children in Subsidized Child Care

Counties	Children Under 13 in Poverty[1]	All Children Subsidized in 1998[2]	Children in Licensed Care Subsidized by DSHS in May 1998: Centers[3]	Homes[3]	Both[3]
Adams	852	809	21	54	76
Asotin	931	664	90	10	100
Benton	3,604	2,989	423	472	895
Chelan	2,538	2,908	164	421	585
Clallam	1,934	1,369	195	212	407
Clark	8,862	5,185	734	640	1,374
Columbia	148	50		2	2
Cowlitz	3,308	2,023	260	220	480
Douglas	861	1,293	61	220	282
Ferry	342	89		0	0
Franklin	2,755	3,920	440	665	1,105
Garfield	49	11		0	0
Grant	3,269	2,652	190	477	667
Grays Harbor	3,036	1,645	225	158	383
Island	1,318	727	109	112	221
Jefferson	768	325	48	54	102
King	36,588	23,966	5,771	1,606	7,377
Kitsap	5,903	3,217	779	344	1,123
Kittitas	794	399	39	34	73
Klickitat	818	480	15	78	93
Lewis	2,595	1,834	422	216	638
Lincoln	264	108	9	11	20
Mason	1,545	754	29	132	162
Okanogan	2,067	1,313	180	184	364
Pacific	838	395	51	26	77
Pend Oreille	521	213	9	13	22
Pierce	23,163	12,472	3,080	820	3,900
San Juan	211	78	24	17	41
Skagit	2,984	2,423	389	311	700
Skamania	266	154	32	3	34
Snohomish	12,543	8,518	1,966	966	2,932
Spokane	13,138	8,947	2,663	755	3,418
Stevens	1,569	642	50	45	95
Thurston	5,009	3,596	705	307	1,011
Wahkiakum	71	68		0	0
Walla Walla	1,902	1,059	230	111	341
Whatcom	4,234	2,808	803	226	1,029
Whitman	787	404	176	18	193
Yakima	13,310	8,945	1,138	956	2,094
State Total	165,693	109,452	21,521	10,895	32,416

[1] Based on Office of Financial Management (OFM) estimate of 1998 population of children under 13 and 1995 Census estimate of percent of children under age 18 in poverty.
[2] Children receiving subsidized care at any time during Fiscal Year 1998.
[3] Based on 1998 Surveys of Child Care Centers and Homes.

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Table A5. 1998 County Level Statistics:
Average Price of Full-Time Preschool Child Care

Counties	Centers*	Homes*	All Facilities*
Adams	< 5 facilities	$323	$304
Asotin	$347	$339	$345
Benton	$402	$345	$373
Chelan	$348	$334	$342
Clallam	$370	$443	$396
Clark	$411	$370	$396
Columbia	< 5 facilities	< 5 facilities	< 5 facilities
Cowlitz	$353	$338	$351
Douglas	$340	$311	$313
Ferry	< 5 facilities	< 5 facilities	< 5 facilities
Franklin	$342	$329	$337
Garfield	< 5 facilities	< 5 facilities	< 5 facilities
Grant	$372	$328	$352
Grays Harbor	$354	$371	$359
Island	$434	$387	$418
Jefferson	< 5 facilities	$394	$338
King	$545	$504	$536
Kitsap	$383	$410	$391
Kittitas	$362	$353	$359
Klickitat	< 5 facilities	$377	$381
Lewis	$366	$348	$360
Lincoln	< 5 facilities	$307	$319
Mason	$328	$367	$354
Okanogan	$428	$329	$392
Pacific	< 5 facilities	$373	$348
Pend Oreille	< 5 facilities	$326	$325
Pierce	$417	$380	$410
San Juan	$369	$465	$391
Skagit	$412	$433	$419
Skamania	< 5 facilities	< 5 facilities	$370
Snohomish	$460	$448	$457
Spokane	$357	$351	$356
Stevens	$333	$346	$339
Thurston	$413	$395	$406
Wahkiakum	< 5 facilities	< 5 facilities	< 5 facilities
Walla Walla	$340	$333	$338
Whatcom	$418	$402	$416
Whitman	$410	$342	$395
Yakima	$351	$311	$334
State Total	$446	$405	$434

* Unable to estimate when fewer than 5 facilities in county

Source: DSHS Research and Data Analysis
1998 Survey of Child Care Centers and Homes

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APPENDIX B: COUNTY STATISTICAL MAPS

Figure B1: Number of Licensed Child Care Centers, 1998 ____ 80

Figure B2: Number of Licensed Child Care Homes, 1998 ____ 81

Figure B3: Child Care Slots in Licensed Centers, 1998 ____ 82

Figure B4: Full-Time Equivalent Slots in Licensed Family Homes, 1998 ____ 83

Figure B5: Capacity of Licensed Family Homes, 1998 ____ 84

Figure B6: Total Licensed Capacity, 1998 ____ 85

Figure B7: Total Child Population (0-12 Years), 1998 Estimate ____ 86

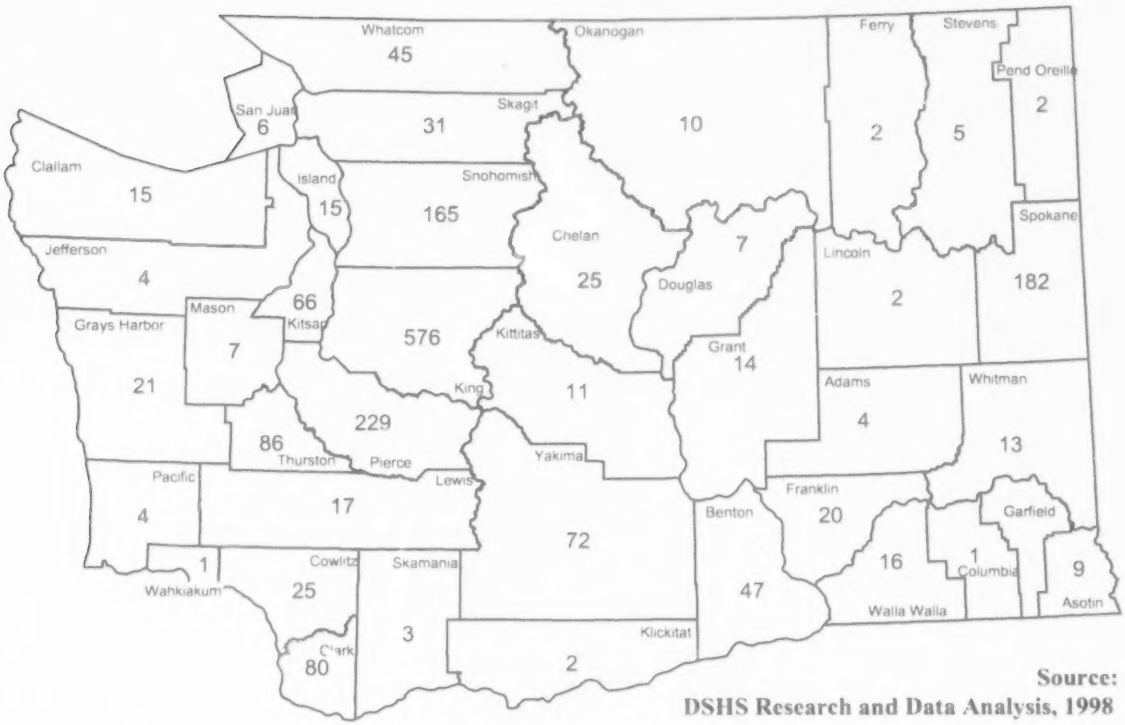
Figure B8: Licensed Slots per 100 Children, 1998 ____ 87

Figure B9: DSHS-Subsidized Children in Licensed Care, 1998 ____ 88

Figure B10: Total Reported Vacancies in Licensed Care, 1998 ____ 89

Figure B11: Vacancy Rate in Licensed Care, 1998 ____ 90

Figure B1: Number of Licensed Child Care Centers, 1998

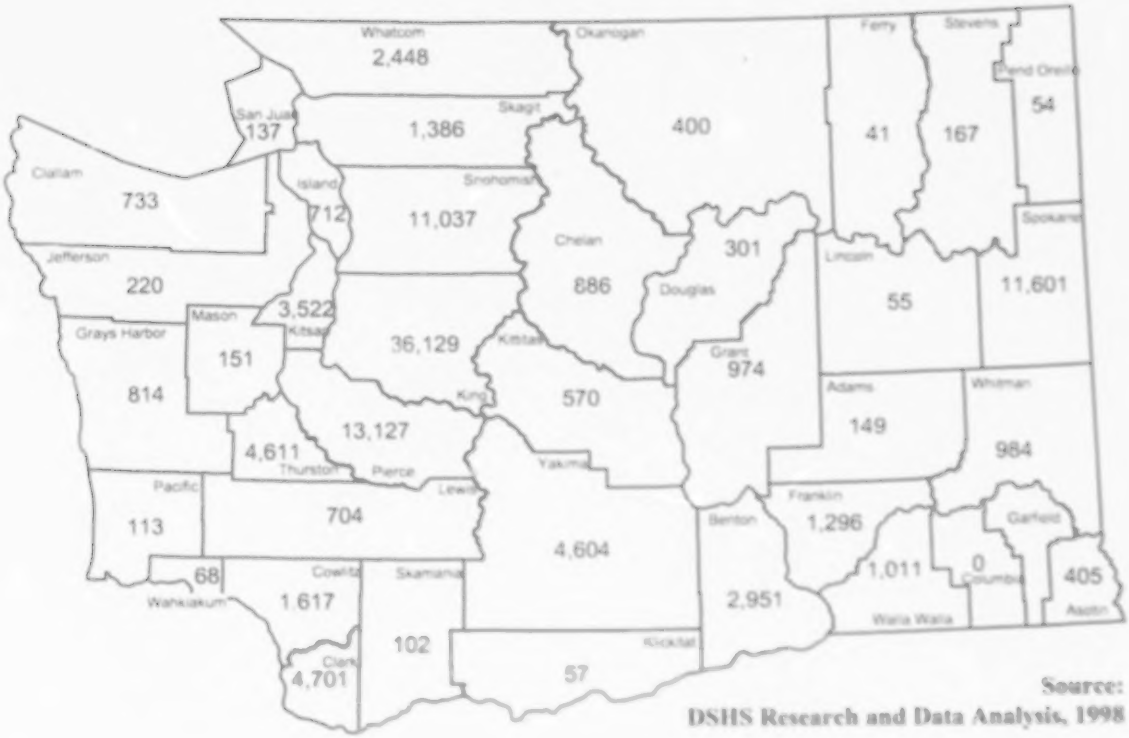


Source:
DSHS Research and Data Analysis, 1998

Figure B2: Number of Licensed Child Care Homes, 1998

Source:
DSHS Research and Data Analysis, 1998

Figure B3: Child Care Slots in Licensed Centers, 1998



Source:
DSHS Research and Data Analysis, 1998

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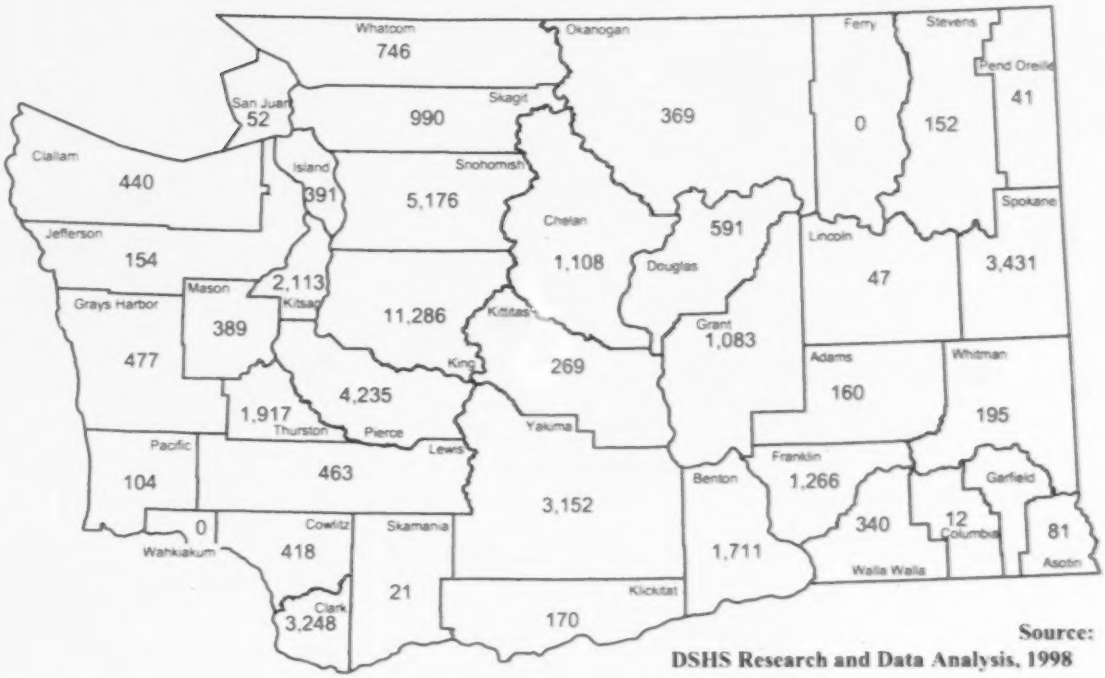
Figure B4: Full-Time Equivalent Slots in Licensed Family Homes, 1998



Source:
DSHS Research and Data Analysis, 1998

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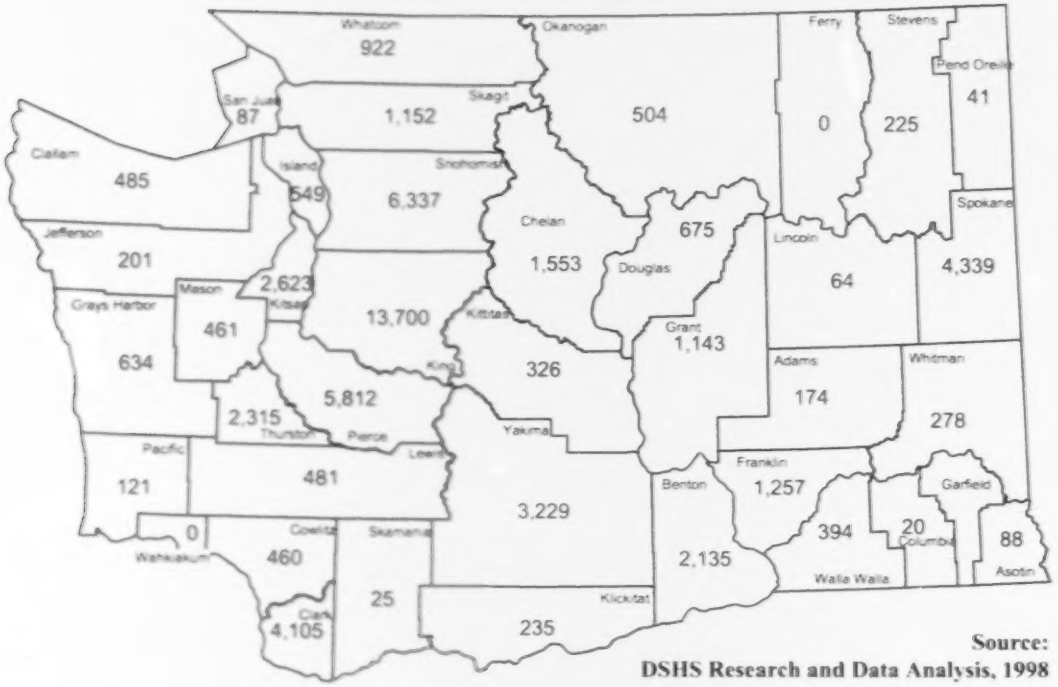
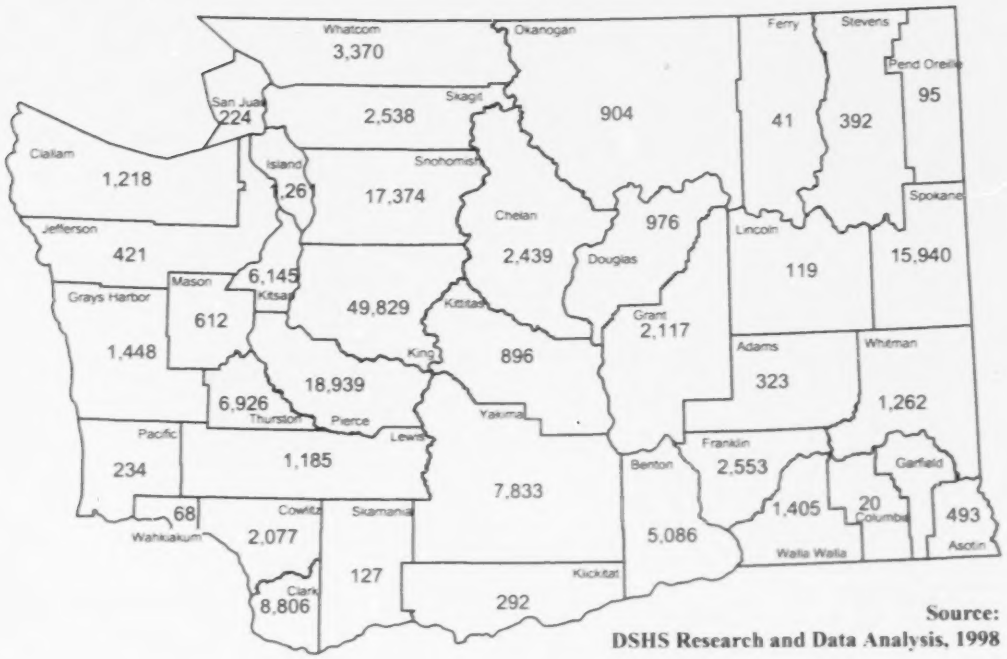
Figure B5: Capacity of Licensed Family Homes, 1998



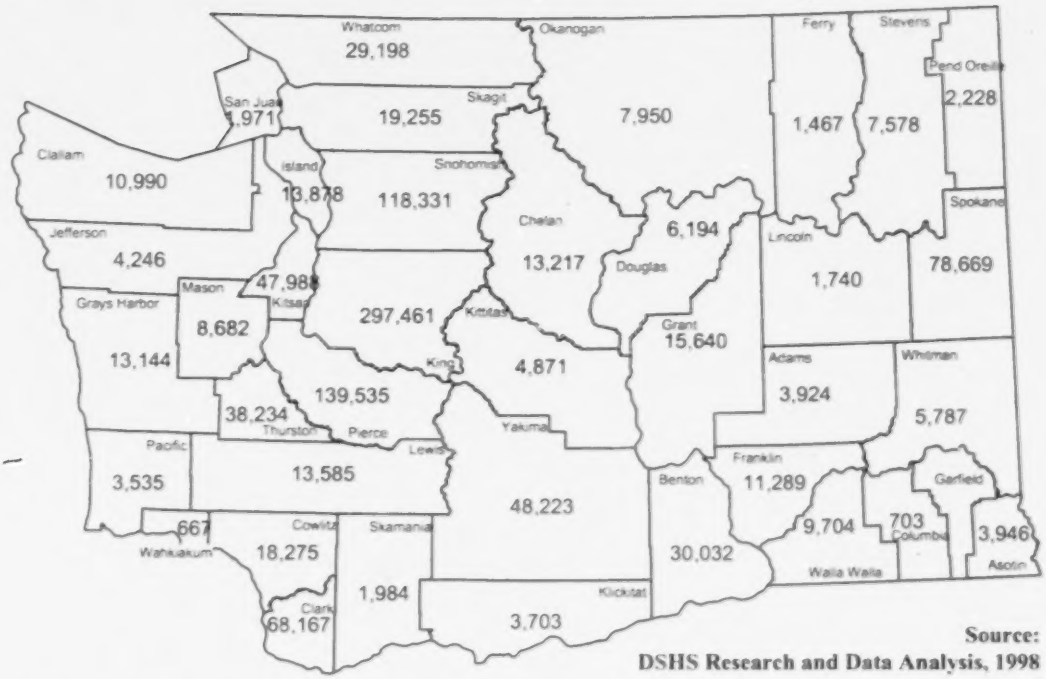
Source:
DSHS Research and Data Analysis, 1998

Figure B6: Total Licensed Capacity, 1998



Source:
DSHS Research and Data Analysis, 1998

Figure B7: Total Child Population (0-12 Years), 1998 Estimate



Source:
DSHS Research and Data Analysis, 1998

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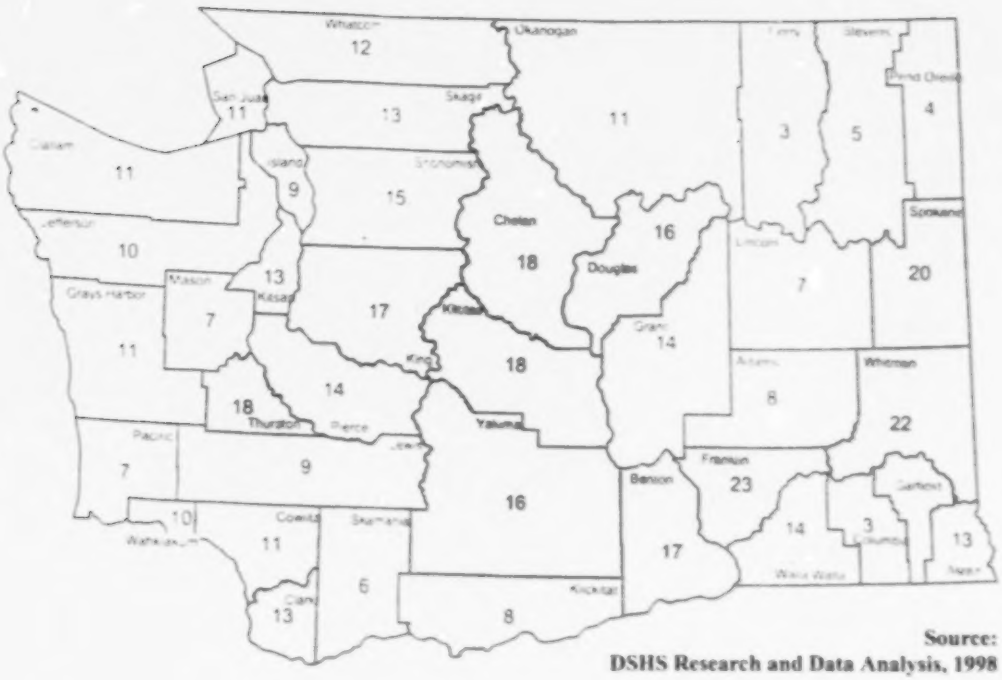
Figure B8: Licensed Slots per 100 Children, 1998



Source:
DSHS Research and Data Analysis, 1998

Note: Shaded counties had more than 15 licensed care slots per 100 children 0-12 (the statewide average was 15 in 1998).

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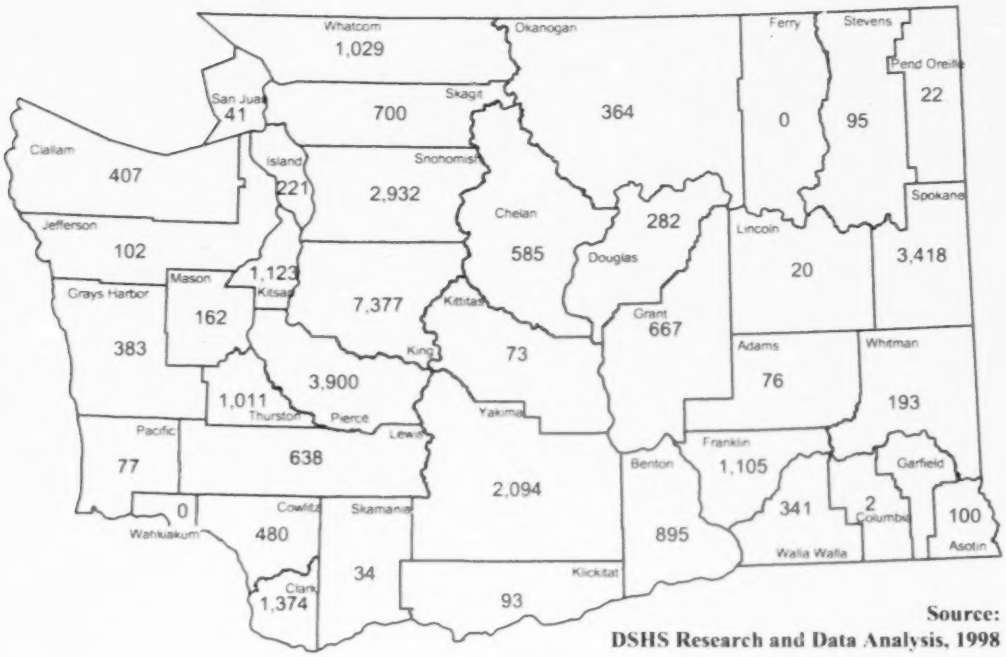
Figure B9: DSHS-Subsidized Children in Licensed Care, 1998



Source:
DSHS Research and Data Analysis, 1998

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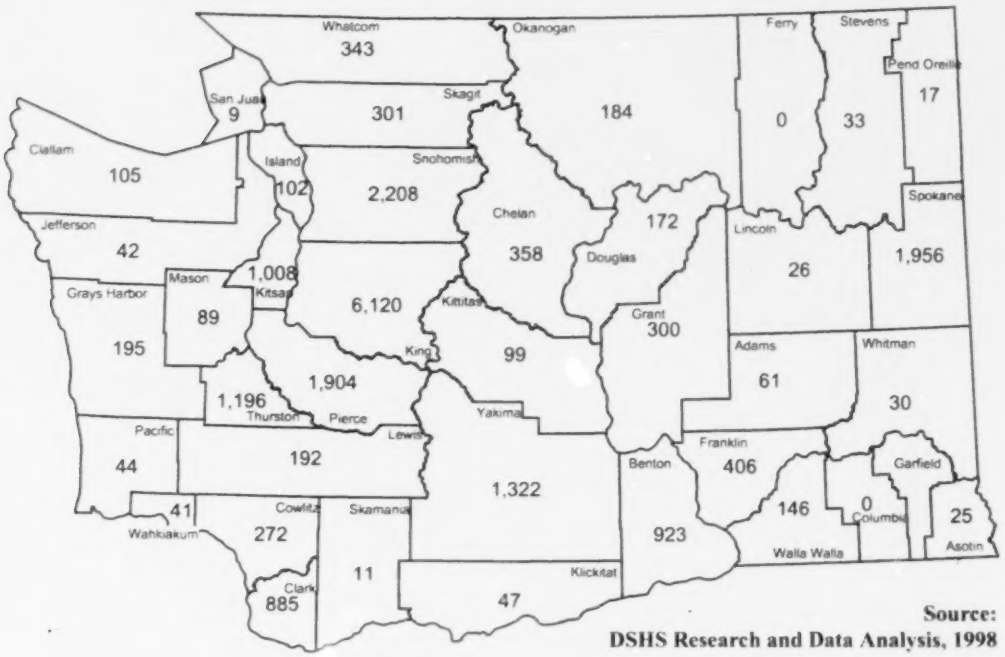
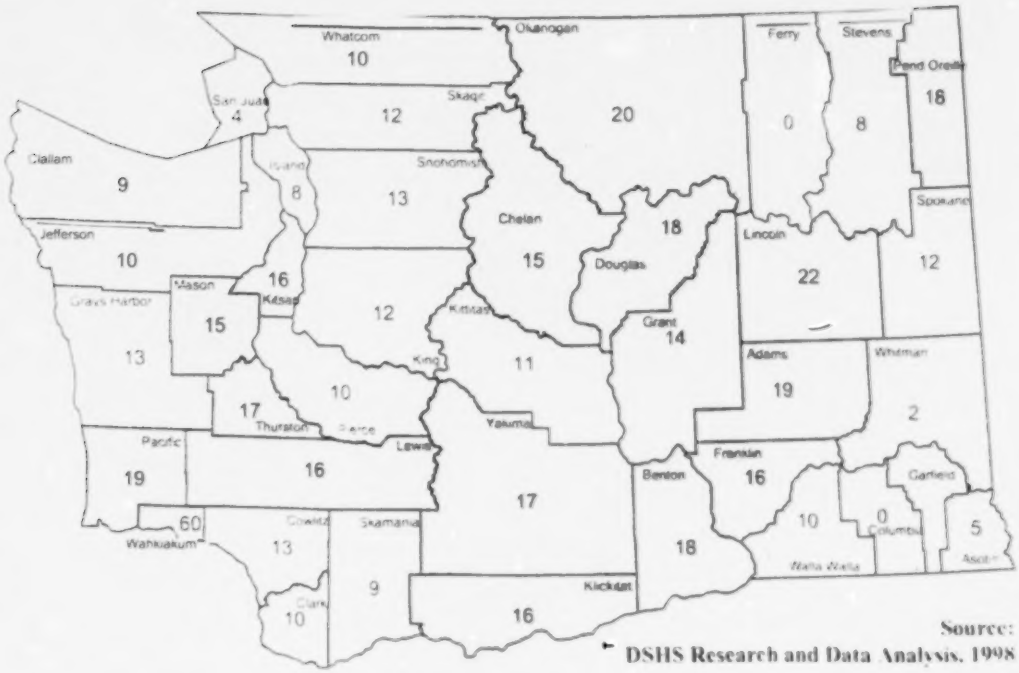
Figure B10: Total Reported Vacancies in Licensed Care, 1998



Source:
DSHS Research and Data Analysis, 1998

Figure B11: Vacancy Rate in Licensed Care, 1998



Source:
DSHS Research and Data Analysis, 1998

Note: Shaded counties had more than 15 vacancies per 100 licensed slots (the statewide vacancy rate was 15 in 1998).

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